# FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,125 Saturday March 22 1980 ***20p

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 4.25; FRANCE Fr 4; GERMANY DM 2.0; ITALY L 700; NETHERLANDS Fl 2.0; NORWAY Kr 4.25; PORTUGAL Esc 35; SPAIN Pts 70; SWEDEN Kr 3.75; SWITZERLAND Fr 2.0; EIRE 20p; MALTA 20c



## NEWS SUMMARY

### GENERAL

## Germ weapons probe sought

The U.S. has warned that a 1972 treaty banning germ warfare will be jeopardised if the USSR does not agree to discussions probing its stores of potential germ weapons.

The U.S. suspects that an epidemic of intestinal troubles in the Ural Mountains last spring may have been caused by a leak of material stockpiled for war purposes.

Citing a treaty ratified by 81 nations including the U.S. and USSR, Washington sought explanations from Moscow, which had blamed the outbreak of anthrax on infected meat.

### Dioxin inquiry

Coalite and Chemical Products has bowed to two years of pressure from the Health and Safety Executive for disclosure of health reports on workers exposed to dioxin after an explosion at the Derbyshire plant in 1968.

### 'Ignore Militant'

The Labour Party Commission of Inquiry brushed aside demands for action against the Militant Tendency. Page 4

### Sharpeville demo

South Africans commemorated the 20th anniversary of the Sharpeville shootings amid mounting appeals for the release of jailed nationalist leader Nelson Mandela.

### Polish immolation

An elderly Polish men committed suicide by setting himself alight in Kracow. He was reported to have left posters reading "For Katyn," referring to a massacre of Polish officers during World War II.

### Italian connection

Milan police reported the biggest haul of heroin ever made in Europe. Some 88lb worth L50bn (£26.26m) at street prices were recovered.

### Directors' guest

Saudi Arabian Petroleum Minister Sheikh Yamani will speak at the Institute of Directors' annual convention in London next Tuesday.

### Fare deal

London Transport has unveiled a scheme of discounts for passengers on West End theatre tickets, meals and Ronnie Scott's jazz club membership. Tube fares go up by 19 per cent next week.

### Seal cull

The seal cull off Northern Newfoundland began yesterday. A total of 91,400 hooded and harp seal pups will be taken.

### Snow hazard

Snowfalls and freezing conditions made motoring hazardous in Scotland, Wales, Northern Ireland and the North of England.

### Post haste

Over 1m items posted in the U.S. in November, December and January have arrived in the UK after their ship solved its "mechanical problems."

### Briefly . . .

Northern Peru's worst drought for 70 years ended with a two-day rainfall greeted as a miracle.

Heavy traffic is to be banned from Minister Yard, Lincoln, because of damage to the cathedral's chapter house.

Marcel Boussac, textile magnate and racehorse owner, died yesterday.

### BUSINESS

## £ loses 1.85c; gold off $24

● STERLING fell 1.85 cents to $2.1795, and its trade-weighted index dropped to 72.0 (72.3). DOLLAR was stronger, closing at DM 1.8790 (1.8655) and its index rose to 89.3 (88.9).

● GOLD lost $24 an oz to $529 in London.

● EQUITIES drifted lower in end-Account offerings of loose stock and light selling. The FT 30-share index fell 3.3 to 429.9, down 25.8 on Account.

F.T. Industrial Ordinary Index — 440, 435, 430, 425; All-Time High 558.6 May 4 1979; Hourly Movements; Days Close; 17 18 19 20 21; MARCH 1980

● GILTS continued dull, with slight worries over the Budget prospects. The short tap Exchequer 13½ per cent lost 5/16 to a new low. The Government Securities index eased 0.24 to 64.1.

● WALL STREET was 3.93 lower at 785.15 before the close.

● DANISH shipbuilding and engineering group Burmeister and Wain will sell a further share of its marine diesel interests to MAN, the West German engineering company, to meet cash needs. The DKr 100m (£7.8m) deal will give MAN a controlling stake in B and W diesel.

● GUTHRIE Corporation is making a £20.9m share offer for City and International Trust in what it regards as a first move to counter a new bid from Sime Darby. Back Page

● LIBYA is to cut its overall oil production by 17 per cent next month, from an average of 2.1m barrels a day to 1.75m b/d, partly to maintain the high price of its premium crude. Back Page

● SAUDI ARABIA can expect a budget surplus of up to $20bn in 1980, according to calculations based on preliminary oil income forecasts. Back Page

● PLANS are ready for setting up about seven enterprise zones aimed at attracting business into depressed areas through exemption from various Government controls. Back Page

● THE BILL to protect UK companies from U.S. anti-trust laws, which received the Royal Assent, has been toughened to allow legal links with other countries which also oppose the U.S. measures. Page 4

● WATER WORKERS in the two largest unions in the supply and sewerage industry have voted by 2 to 1 to accept a 21.4 per cent pay offer. Page 4

### COMPANIES

● SAINT-GOBAIN, the diversified French group, raised consolidated profits by 58 per cent to FFr 650m (£68m) for 1979. Page 21

● ILLINGWORTH MORRIS, the loss-making UK wool textile group, is planning to acquire two New York clothing manufacture companies to strengthen its international business. Page3

● CARLTON Industries taxable profits totalled £16.95m in 1979, compared with £10,65m in the previous nine months. Page 18

● HEINEKEN, the Dutch drinks group, reports consolidated profits for calendar 1979 up 5.9 per cent to Fl 125.7m (£27.95m). Page 21

## CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

| | | | | | |
|---|---|---|---|---|---|
| **RISES** | | | Meyer (Mont. L.) ... | 114 | − 4 |
| Associated Fisheries | 66 | + 3 | Muirhead ............ | 190 | − 12 |
| Automotive Prdcts. | 70 | + 4 | Tyzack (W. A.) ...... | 22 | − 3 |
| B & Q (Retail) ...... | 80 | + 6 | Williams & James... | 140 | − 45 |
| Carlton Inds. ......... | 290 | + 10 | BP ................... | 354 | − 6 |
| City & Int. Trust ... | 131 | + 5 | Shell Transport ... | 354 | − 6 |
| Dixor Strand ......... | 25 | + 4 | Tricentrol ............ | 282 | − 8 |
| Eucalyptus Pulp ... | 98 | + 5 | Conzinc Riotinto ... | 242 | − 16 |
| Fodens ............... | 31 | + 5 | Impala Platinum ... | 265 | − 12 |
| Gibbs (A.) ........... | 82 | + 5 | Leichardt Expl. ... | 255 | − 35 |
| Lloyds Bank ......... | 258 | + 6 | Lennard Oil ......... | 78 | − 12 |
| Pifco A ............... | 128 | + 6 | North Broken Hill... | 152 | − 12 |
| Pressac ............... | 87 | + 4 | Otter Exploration ... | 70 | − 14 |
| Stonehouse ......... | 76 | + 4 | Poseidon ............ | 101 | − 16 |
| **FALLS** | | | RTZ .................. | 345 | − 22 |
| Exch. 13¼% 1983 ... | £94½ | − ½ | Samantha ............ | 76 | − 10 |
| Bowring (C. T.) ... | 126 | − 6 | South African Land | 343 | − 21 |
| Danks Gowerton ... | 28 | − 5 | Sthn. Pacific Petrlm. | 637 | − 100 |
| Howard Tenens ...... | 70 | − 5 | Western Mining ... | 198 | − 10 |

# BL tells unions it will force through pay and work code

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

**BL Cars formally told the trade unions yesterday that it would force through changed working practices regardless of opposition. The company will unilaterally impose a package embracing the new working practices and 5 to 10 per cent pay offer from April 8.**

*Mr. Ray Horrocks, the* managing director, said in a letter to leaders of the 85,000 manual workers: "Without decisive action of this kind BL Cars cannot survive."

He regretted the *decision*, but said that uncertainty was significantly affecting the recovery programme and putting in question the future of the company.

The move follows the breakdown of negotiations with the unions after nearly five months of talks.

BL's British market share has recovered from the dangerously low level of 15 per cent earlier this year to just over 21 per cent in the first three weeks of March.

But the company is likely to watch performance closely before deciding on the full extent of redundancies and closures.

*One option under consideration is to halt production of* the Triumph Dolomite this October rather than next. Such a decision would clearly put at risk the body-pressing plant at Speke, Liverpool, which *employs 2,000 people.*

*BL realises it is taking a big* gamble in pressing ahead with a package which the unions have warned will lead to an outbreak of disputes.

Mr. Horrocks said the company wanted the co-operation of the shopfloor, not confrontation. But "any action to prevent implementation will be dealt with firmly, and those who cause *disruption will be subject to disciplinary action.*"

*BL said the details of any* "discipline" has still to be decided.

Individual employees might be given two warnings before dismissal, under the procedure used to dismiss Mr. Derek Robinson, the Longbridge convener.

Groups of workers, or whole plants resisting the deal, might *have pay stopped until they worked the new systems.*

*BL hopes the back pay on a* deal which should have been implemented last November will be an inducement to many workers who could pick up sums of between £100 and £300.

The administrative problem *of such payouts might involve a delay giving the company an opportunity to judge the extent of opposition to the package.*

The company will not issue new contracts of employment embracing the changed work practices.

Attendance for work on April 8 will be deemed acceptance.

One national union leader warned last night: "The company will not be faced with a set-piece confrontation, but a whole series of guerrilla actions and skirmishes as it tries to impose the deal section by section."

There is little mood for militant action among workers. *They realise the gravity of the company's position following halting of models and widespread layoffs in response to* poor sales.

*The key test for BL management will be at* Longbridge, Birmingham, where *workers will have to take on new tasks* and ignore craft distinctions in preparation for the launch of the Mini Metro in October.

# Liverpool docks idle as 100 are suspended

BY PAULINE CLARK, LABOUR STAFF

THE PORT of Liverpool came to a standstill yesterday when 5,500 dockers and 2,000 ancillary workers went on strike in protest at the suspension from work of 100 dockers who refused to finish loading galvanised steel on to a Soviet ship bound for India.

The striking dockworkers left 22 ships idle in the port as the ancillary workers including clerks and dock gate keepers added their support during the day.

Mr. Denis Kelly, chairman of the dockers shop stewards committee, said the strike represented "a hardening of attitudes" by dock workers.

"We are calling now for a firmer stand against handling steel in docks throughout the country. The steel dispute has become a political issue with the Government trying to smash the unions and we are not going to stand by."

Mr. Jimmy Symes, docks district secretary of the Transport and General Workers Union, later said stewards had instructed him to recall the *Docks Delegate Conference*, which represents dock workers nationwide. It would probably meet early next week.

"There would be every likelihood we would call on them to support a national docks strike over the issue if we do not get the settlement we want.

"Our members at all other ports in Britain have today promised they will not handle cargo or ships which should have gone through Liverpool."

*The 100 dockers had been suspended from work on Thursday.* The Mersey Docks and Harbour Company said they would not be paid, in accordance with a warning in January that any refusal to handle materials in support of an outside dispute would be at the dockers' own expense.

The Transport and General Workers' Union has issued *instructions that no steel should be handled during the steel industry dispute.*

Previously, shop stewards said, steel had been handled in the port with the permission of steel union pickets but it had been impounded in the docks. A tougher stand was now necessary.

The strike, from yesterday morning, came as a surprise to several thousand dockers who *reported to work. Some opposition to the call is expected at a* mass meeting in the Liverpool boxing stadium tomorrow which had previously been called to discuss pay and conditions.

The Mersey Docks and Harbour Company said yesterday that dockers had been handling thousands of tons of steel during the past 12 weeks and *then, suddenly, decided not to do so any more. In the past there had been only slight trouble* over individual consignments.

## Steel arbitration move

***THE BRITISH Steel Corporation and the unions began serious discussions yesterday over the possible use of third party intervention in the strike, now in its twelfth week.***

**A complete breakdown—when the corporation said it was not prepared to accept *the kind of intervention proposed by the unions*—was only narrowly avoided.**

**The unions proposed a court of inquiry to examine plant closures, redundancies, and pay.**

**The corporation said inter-**

**Continued on Back Page**
**Other steel news Page 4**

# MFI bids £30m for Status

BY ANDREW FISHER

MFI Furniture Group, one of the largest *UK* furniture *retailers, has assured itself of control of* Northern-based Status Discount with a widely expected bid worth £30m.

Following purchases in the market yesterday, *MFI* now *owns or has agreed to acquire* just over 50 per cent of the *shares in Status, which sells kitchen and bedroom furniture from 63 stores.*

Since Status directors, their families and other shareholders had already accepted the share offer on behalf of 46 per cent of the equity, *MFI's success was virtually certain.*

*MFI, a market leader in the* discount selling of all types of furniture, is known in the industry for its fast profits growth, its ability to control costs and prices, and its expanding store network.

But the deal is conditional on the Government's deciding not to refer the bid to the Monopolies Commission, and its attitude is unlikely to be made known for several weeks.

Mr. Edward Healey, chairman of Status, who owns around 35 per cent of the company with *his family said that the two groups had come to know each other over the years;* a bid had been in the air for some time.

Asked about the possibility of a reference to the Monopolies Commission, he said MFI and Status together would have about 7 per cent of the total furniture market. Status has recently been expanding beyond its northern base into southern England.

Mr. *Arthur Southon, MFI's* chairman, said the proposed

**Continued on Back Page**
***Bid Background Page 4***
***Lex Back Page***

## CONTENTS



*For latest Share Index 'phone 01-246 8026*

# France may be net EEC recipient

BY MARGARET VAN HATTEM IN BRUSSELS

FRANCE IS getting so much back from the EEC budget, mainly through the Common Agricultural Policy, it could be a net recipient this year.

This would leave Britain and Germany as the only member countries paying more into the *budget than they get out of it*, according to the latest Commission estimates. These are based on the newly drafted 1980 budget.

The figures are theoretical for the moment. They assume the European Parliament will approve the draft budget and Farm Ministers will accept the Commission's controversial proposals for the 1980-81 farm price review.

The Parliament *threw out the Commission's first draft* budget at the end of last year. New figures are to be submitted soon.

If the farm price review is approved, the budget's new version will drop to 13.788bn ECU (£8.69bn) from 15.195bn ECU (£9.57bn) in the first version. At the same time, the gap between net contributors and beneficiaries has widened.

Unlike national budgets, the *EEC budget is decided only after the money has been spent. There is no budgetary ceiling, so the budget is more a record of expenditure than an estimate* of future spending.

The latest figures could embarrass France in the argument over Britain's demand to reduce its net contribution at the Brussels summit at the end of this month.

France would have paid 0.8 per cent of the total budget on balance in the first draft. In the second, it would get back 0.3 *per cent or 41m ECU. This is because its receipts would barely change, but its payments would* drop.

The amount is negligible in money terms, but the change from minus to plus could be politically sensitive

Italy's net receipts would drop from 871m ECU to 754m ECU but most other recipients would be a little better off. Germany would pay 1 per cent more, but the drop in the overall budget leaves the money figure unchanged at 1.1bn ECU.

Britain would pay 2 per cent more—12.2 per cent on balance or 1.68bn ECU (£1.06bn) if *currency subsidies on intra-Community trade are seen as a consumer subsidy.* The British share would be 13.2 per cent or 1.8bn ECU (£1.13bn) if, as the British argue, intra-EEC trade payments are seen as a producer subsidy.

The figures confirm British forecasts. But they may surprise *the French, who are expected to challenge them when they are presented to EEC ambassadors on Monday.*

If Ministers reject the farm reform proposals and the Commission retaliates by imposing a price freeze, budgetary spending will actually rise by an estimated 767m ECU. If the Commission fails to push through either a freeze or reforms, and prices rise by the proposed 2.4 per cent, the *budget will rise by 1.1bn ECU.*

*If, as is widely predicted, prices rise by nearly 5 per cent,* the budget could rise as much as 1.7bn ECU.

The only conclusion that can be drawn from these options is that, whatever happens to other countries, price rises will leave Britain paying even more.

● The West German and Danish Government leaders discussed Britain's budgetary dispute with the EEC in Bonn yesterday. They stressed an early answer should be found in the context of a package deal. This *should include a solution to the EEC's long-standing problems over a common fish policy.*

Chancellor Helmut Schmidt and Prime Minister Anker Joergensen both underlined the urgency of the budget problem. But Government officials feel the odds remain heavily against a solution being found at the Brussels summit.

**EEC BUDGET 1980: WINNERS AND LOSERS**

| Countries | Receipts ECUm | Payments ECUm | Net contribution ECUm |
|---|---|---|---|
| *Italy* | 2,395 | 1,641 | +754 |
| *Ireland* | 626 | 124 | +502 |
| *Belgium* | 1,320* | 851 | +469 |
| *Denmark* | 715 | 327 | +388 |
| Netherlands | 1,555 | 1,197 | +358 |
| Luxembourg | 303* | 16.5 | +287 |
| France | 2,655 | 2,614 | + 41 |
| Germany | 2,994 | 4,110 | −1,116 |
| Britain | 1,225 | 2,908 | −1,683 |

* Includes EEC bureaucracy costs

# Siemens in talks with Grundig

BY JONATHAN CARR

SIEMENS, West Germany's leading electricals concern, is interested in taking a minority stake in Grundig, the domestic electrical products company which is intensifying links with Philips, the Dutch electrical group.

Siemens said yesterday it had had exploratory talks *with Grundig. There was a basic interest on both sides in closer ties. But it would be premature to suggest there had been formal negotiations.*

On Thursday, Dr. Bernhard Plettner, Siemens' executive board chairman, told a shareholders' meeting he wanted to leave open the question of *closer links.*

*There are good reasons why a stake would make sense to* both sides.

Siemens is a major supplier of components to Grundig and business relations have been close for years. These have become closer recently by Siemens' collaboration on the new video recorder jointly developed by Grundig and Philips.

*On top of this, Siemens, with close to DM 30bn* (£7.3bn) in annual sales is flush with liquidity and embarking on a major investment programme.

Grundig, with annual sales of about DM 3bn, is virtually the creation of the dynamic, but ageing, Herr Max Grundig. It could well welcome a cash injection from *such a powerful technical and financial partner.*

Grundig and Philips said last year they were strengthening links. The Dutch company was taking a stake in a holding company being set up by the Max Grundig Foundation, which holds most Grundig shares.

A trilateral link, with both Philips and Siemens involved in Grundig, *could be seen as raising major conflicts of interest between the Dutch and West German electricals* giants.

But Philips and Siemens are already 50-50 shareholders of the recording company, Polygram. The stage could thus be set for broader co-operation.

● *John Lloyd writes:* Polygram said yesterday it had

Continued on Back Page

**£ in New York**

| — | Mar. 20 | Previous |
|---|---|---|
| Spot | $2.1910-1920 | $2.1955-1965 |
| 1 mnth | 0.07-0.12 prem | 0.11-0.07 dis |
| 3 mths | 0.32-0.37 prem | 0.35-0.40prem |
| 12 mths | 0.30-0.40 prem | 0.10-0.20prem |

# OVERSEAS NEWS

## U.S. Steel files 'dumping' suit on European imports

BY DAVID BUCHAN IN WASHINGTON

A DECISION by the Carter Administration to abolish or suspend the two-year-old trigger price system for imported steel is now "highly likely," a Commerce Department official said yesterday, after the U.S. Steel Corporation had filed a massive anti-dumping suit against steelmakers in seven European countries.

Lawyers for U.S. Steel yesterday delivered 67 boxes of documents supporting their case to the Commerce Department.

"Just on bulk, it's a major case," Mr. Joseph Greenwald, a deputy - assistant commerce secretary in charge of steel policy, commented.

On Wednesday, before the suit was announced, Mr. Greenwald said the filing of a "major" case could spell the end of the trigger price system, because the domestic industry did not need two forms of import protection.

The scope of the U.S. Steel suit is wider than expected. It alleges "unfair trade practices" by steel producers in Britain, France, Belgium, Luxembourg, Italy, The Netherlands and West Germany over the past five years on a range of products used in making cars, appliances, and buildings.

Abolishing trigger prices would please some of President Carter's economic advisers who argue that the system, introduced two years ago, has had a more generally inflationary effect on domestic steel prices by keeping out cheap foreign competition than individual anti-dumping action would have.

The Pittsburgh-based Corporation also filed its dumping complaint with the International Trade Commission, which rules on trade suits in parallel with the Administration.

Under New American trade law, U.S. Steel has to prove that the European imports were sold at less than fairvalue and that they caused it and the domestic industry material injury.

**Roy Hodson writes:** The British Steel Corporation had hoped to be excluded from the U.S. Steel anti-dumping applications. It has voluntarily given up a large part of its traditional trade with the U.S. since 1975 following complaints from American steelmakers about the level of imports.

Recently British Steel's U.S. trade, has been 300,000 tonnes a year, compared with about 1m tonnes in earlier years.

Marcel Boussac: left with a legend.

## Boussac—a fortune won and lost

By Our Paris Staff

MARCEL BOUSSAC, the textile magnate and racehorse-owner who died yesterday, made and lost one of the biggest industrial fortunes in French history.

His death, at the age of 90, comes just a year and a half after the final liquidation settlement of his textiles empire. The once awe-inspiring name of Boussac — "rich as Boussac" used to be a synonym for wealth —lives on only in Boussac-Saint-Frères, now owned by the Agache-Willot group, today's main force in the industry which Boussac once dominated.

The main part of the group, including the Christian Dior fashion label, textiles activities employing 11,500 workers and 10,000 acres of hunting land, was sold for a mere FFrs700m (£73m). But by that time, M. Boussac heavily in debt, had little scope for manoeuvre. He had already got rid of his racing stables, his newspapers and the Dior perfume business in desperate attempts to keep his company afloat, all to no avail.

In the end, M. Boussac was left with very little, except the legend which he forged as one of the last great individualists in French industry. His career started before the First World War, when, as a 20-year-old, he set up a shirt-making business in Paris, backed only by his experience in his father's draper's business. His business took off when he managed to buy up a large stock of surplus canvas after the war.

He branched out after the Second World War, taking a washing-machine licence from Bendix, moving into banking, reviving the L'Aurore newspaper title and building up the Christian Dior business.

His business methods had more than tinge of the 19th century about them. Although paternalistic, he was authoritarian, and it was perhaps his conviction that he could continue doing things his way which caught him out. When the basis of his empire was undermined by cheaper cotton imports from the Third World, none of the other businesses proved solid enough to carry the edifice.

## Nationalist victory in Catalan poll

BY TOM BURNS IN MADRID

NATIONALIST PARTIES made significant gains in yesterday's elections to a Catalan Parliament — the first since the Spanish Civil War. They decisively beat the Centre Democratic Union of Sr. Adolfo Suarez, as has been forecast, and unexpectedly displaced the Socialist Party as the majority political force in Spain's four north-eastern provinces.

The solid nationalist vote in Catalonia mirrored results of the elections to a Basque Parliament 12 days ago, underlining a spectacular growth of regional parties at the expense of national-based organisations. The trend will significantly alter the political map of Spain.

Provisional results showed that the moderate nationalist Coalition, Convergencia y Unio, headed by Sr. Jordi Pujol, a former banker, had won 43 seats in the 135-member Catalan Assembly, while the heavily-favoured Catalan Socialist Party, could only manage 33 seats.

Sr. Suarez's Catalan Centrist Party came fourth in the poll with a humiliating 18 seats, behind the Catalan Communists, the PSUC, who won 25.

A surprise result was the strong showing of the small but historic Esquerra Republicana Party which gained 14 seats. The Social Party of Andalucia won two, thanks to the immigrant vote from the south of Spain.

The election results put paid to all speculation of a possible popular front formation or of a form of historic compromise between Socialists and Nationalists with the support of the Euro-Communist PSUC.

Sr. Pujol, 49, is virtually assured of heading the Generalitat, the Catalan Government. He is expected to offer Cabinet posts to Esquerra Republicana leaders and form a strictly Nationalist executive that will seek to negotiate a wide-ranging and rapid transfer of power from Madrid to Catalonia.

Sr. Pujol became a household name in Catalonia at the age of 24 when he was tortured by police and sentenced to seven years' imprisonment by a court martial for singing a banned Catalan nationalist anthem at a concert in Barcelona attended by four of Franco's Ministers.

Released after serving two years of his sentence, Sr. Pujol abandoned a career in medicine for politics. His pious Catholicism and moderate Centrist politics are tempered by an unflinching belief in a strong Catalan state which falls short of separatism, but is based on a demand for extensive powers of self-government.

The results are a personal defeat for Sr. Suarez, who spent the last five days of the campaign in the area.

He was trying to halt the erosion of his credibility after the Basque vote and the overwhelming support for autonomy showed by voters in Andalucia on February 28, when they refused to follow a Government recommendation to abstain on the home rule issue.

The results are also humiliating for the Socialists, who were confident of capitalising on the reversals suffered by the Centrists and had appeared certain to be the majority party in Catalonia.

The growth of Nationalist parties representing all shades of the political spectrum indicate that no national-based party will in future be able to gain significant majorities in general elections.

The tentative two-party system which seemed to emerge after the Franco régime, with both Socialists and Centrists competing for the middle ground, has been dismantled and Government formations from now on will necessarily rest on pacts with regional parties such as Sr. Pujol's and the Basque Nationalist Party.

The catalan results also show the necessity for a re-appraisal on the part of Sr. Suarez and his Government of their policy of slowing down decentralisation.

## Pro-nuclear swing in Sweden

BY WILLIAM DULLFORCE IN STOCKHOLM

THE LAST public opinion poll before the Swedish referendum on nuclear power tomorrow suggests that the anti-nuclear lobby's advance may have peaked and that there has been a swing back to groups calling for completion of the country's 12-reactor programme.

The new poll gives the pro-nuclear lobby 58.7 per cent of the votes against 36.6 per cent for the anti-nuclear movement.

But the Swedish Institute for Opinion Research which conducted the poll, said that it did not have enough experience in forecasting referendums and the final result could deviate substantially from the opinion poll.

Mr. Thorbjörn Fälldin, the Prime Minister, who backs the proposal to shut down Sweden's six operating nuclear power stations within 10 years, said the findings did not conform with his campaign observations.

Mr. Gostä Bohman, leader of the Moderates (conservatives) who want 12 nuclear reactors built without political strings, said he was still anxious about the outcome of tomorrow's vote. "There is so much that is irrational in this campaign," he added.

Mr. Olof Palme, leader of the opposition Social Democrats who together with the Liberals propose to build 12 nuclear power plants "under - public control," was more confident. The anti-nuclear movement would have been dealt a death blow by midnight tomorrow, he claimed.

In the latest opinion poll, taken on March 18 and 19, support for the Social Democrat and Liberal line is, for the first time, greater than that for the "stop nuclear power" campaign of the Centre Party and Communists.

They polled 38.3 per cent against 36.6 per cent for the anti-nuclearists. In a poll eight days earlier, the Social Democrats and Liberals were trailing by 35.2 per cent to 39.7 per cent.

The moderates' proposal drew 20.4 per cent of those questioned compared with 19.8 per cent in the previous sounding. The decline in the number proposing to file a blank ballot paper was particularly significant.

Mr Fälldin indicated yesterday that the anti-nuclear campaign would not be extinguished by defeat in the referendum. A long list of safety requirements had to be met before further reactors could be fuelled and operated, he said.

## Hesse shaken by pollution row

BY ROGER BOYES IN BONN

A ROW over the pollution of the River Main has shaken the Social Democratic government of the West German state of Hesse and has prompted the resignation of the Environment Minister, Herr Willi Goerlach.

The resignation of the state Minister yesterday follows official investigations into charges that Hoechst, the chemical concern, was pouring excessive amounts of waste salt into the river. The Frankfurt state prosecutor's office has seized documents from Hoechst, which denies the charges, and has confiscated other papers.

The investigations have shown that two senior officials in the state environment Ministry had given information to Hoechst and have accepted presents from the company. A Hoechst spokesman has stressed that the presents—referred to in a confiscated letter—amounted to six bottles of wine only.

Until now, Herr Goerlach, at 39 one of the rising stars in the Hesse government, has said that there was no need to act against the officials. But the Christian Democrat opposition has been putting heavy pressure on the government and has criticised both Herr Goerlach and Herr Holger Boerner, the state Premier, for allowing the situation to develop.

Herr Goerlach said yesterday that he had accepted the personal consequences of the actions of his officials and hoped that his departure would allow the state Parliament to return to the serious fundamental environmental issues involved. His resignation will also have the effect of drawing some of the fire away from Herr Boerner.

The Environment Ministry is a particularly sensitive one in Hesse, partly because of the high concentration of chemical concerns in the state and partly because of the fear that the Greens, the small but active ecology party, will take vital votes away from the social democrats. This danger was heightened recently by Herr Boerner's decision to allow a recycling plant to be built in Hesse—a move which goes some way towards breaking the West German stalemate over the question of nuclear power.

## Brussels seeks lamb injunction

By A. H. Hermann in Luxembourg

AN application by the EEC Commission for an injunction requiring the French to comply with a ruling that their system of marketing lamb violates Community law and must be changed, is to be heard in the European Court on Monday.

The French have made it clear that they have no intention of complying with the court's ruling — President Giscard d'Estaing has even described it as "illegal"—and this puts the court in a precarious position.

It cannot, without losing face, go back on its judgment, and it cannot avoid putting its authority in jeopardy if it reaffirms its decision only to be ignored again.

The decision on French lamb was unavoidable after a series of judgments by the court which went far beyond the provisions of the EEC Treaty.

The Treaty merely provided that the Council should replace national marketing systems with a Community system at the end of the transitional period. But as the Council had not done so, the court decided that the marketing system had ended, even if not replaced by a Community arrangement.

## Danes may end double dividend tax

By Hilary Barnes in Copenhagen

THE DANISH Government may end the double taxation of dividends as part of a programme to stimulate the flow of capital to the industrial sector, Mr Ivar Noergaard, Economy Minister, said yesterday.

This was a possible example of measures the Government had in mind to make it more attractive to invest in the productive sector compared with investment in Government bonds, he added. At present, dividends are taxed both as corporate income and as personal income of the shareholders.

The Government is to present a programme of economic measures in April designed to curb the growth of public spending and stimulate exports.

Mr. Noergaard was presenting the annual economic survey, which forecasts a 1 per cent fall in real Gross Domestic Product this year and an increase in the current balance of payments deficit from Kr15.6bn last year to about Kr16½bn.

Wages are expected to rise by about 7½ per cent from the end of 1979 to the end of 1980, but the average wage in 1980 will be 11 per cent higher than last year. Consumer prices will, on average, be 11½ per cent higher this year.

Real private consumption is expected to fall by 3 to 4 per cent and business investment by 5 per cent, but exports will rise by about 4 to 5 per cent and public consumption and investment by 2½ per cent.

Imports are expected to fall by about 3 per cent.

## Olso gives oil companies longer time to pay

BY FAY GJESTER IN OSLO

NORWAY'S NEW oil tax proposals, designed to scoop up windfall profits from recent petroleum price rises, have been modified slightly after discussions with the companies affected and with Norwegian business and industrial organisations.

The final package, tabled in Oslo yesterday, will raise the stake take of offshore oil and gas production to an average of nearly 82 per cent, from about 70 per cent at present. The draft proposals, put forward last month, would have increased the take to nearly 85 per cent.

The main feature of the package is an increase in the special petroleum excess profits tax to 35 per cent, from 25 per cent. The most important concession to the oil companies concerns the tax payment period. At present they pay a year in arrears and the Government had planned to shorten this to three months. Instead, they will be granted a six-month payment period, with 2½ years in which to make the switch.

Mr. Bjartmar Gjerde, the Oil Minister, and Mr. Ulf Sand, the Finance Minister, said the final version attempted to strike a balance between the need to secure a fair share of rising oil incomes for Norway and the need to maintain incentives for the oil companies.

Mr. Gjerde said he would be very surprised if plans to develop the marginal Ula and Odin fields were dropped as a result of the tax package.

Earlier this month, Esso said it would delay a decision on Odin until the proposals had been tabled in their final form. BP, operator of Ula, has denied rumours that it was reconsidering projects.

## Rhodesia strike fever continues

BY QUENTIN PEEL IN SALISBURY

THE MUGABE Government in Rhodesia is facing its most sensitive problem to date as wild-cat stoppages by black workers continue to spread across the country.

Mr. Kumbirai Kangai, Minister of Labour, toured strike-hit plants in the Salisbury area, appealing to workers to go back to give the Government time to work out its industrial strategy. Officials of Mr. Robert Mugabe's ZANU (PF) party addressed crowds in Gwelo and Gatooma where workers have been demanding pay rises and better conditions.

By last night nearly 30 different plants had been affected by some form of industrial action, and nearly 3,000 workers had been dismissed. More than 6,000 others were still on strike.

The spread of the stoppages, some of them only short-lived, has taken employers, trade unions and Government officials by surprise. The major cause seems to be demands for more pay in the wake of Mr. Mugabe's election victory, aggravated by rumours that workers' pension funds are to be nationalised.

Among the biggest plants affected have been the Bata shoe factory at Gwelo, where some 2,000 workers were dismissed yesterday after two days of strike action, and the textile mills of David Whitehead, a Lonrho subsidiary, at Gatooma and Hartley, where 2,500 workers have walked out.

Mr. Kangai said yesterday that the Government was aware of the workers' grievances and urged employers not to dismiss them. He pleaded with workers to be patient and to return to work on Monday.

## Khomeini's law and order plea

By Simon Henderson in Tehran

AYATOLLAH KHOMEINI, Iran's revolutionary leader, made what appeared to be a gesture of support for President Abol Hassan Bani-Sadr yesterday when he called for the strengthening of the Islamic foundations of Iranian society and spoke of the need to combat chaos and discord.

However, the Ayatollah's statement, marking the Persian new year, also seemed to be at at odds with a message the day before in which he asked people not to argue about disputed results in the recent parliamentary elections. The trend in these is against Mr. Bani-Sadr.

Ayatollah Khomeini called for reconstruction and a strengthening of discipline in the armed forces, police and revolutionary guards, and denounced industrial strikes and go-slows. He also ordered the Government to get stalled economic projects back into operation.

**Our Foreign Staff adds:** Sir John Graham, Britain's ambassador in Tehran, is returning to London next week for talks on "the whole range of Britain's relations with Iran."

## Belgium cuts public spending by £229m

BRUSSELS—Mr. Wilfried Martens, the Belgian Prime Minister today announced a 2.2 per cent across-the-board cut in Government spending this year to reduce the Budget deficit and strengthen monetary stability.

The economic and recovery programme will save more than £229m he said.

Only public debt repayment, swollen by the rise in interest rates and unemployment benefits, will escape cuts.

Strict limits will also apply to next year's Budget. Except for priority spending, public debt repayment and unemployment benefits, public spending will not be allowed to rise faster than inflation.

Reuter.

## Turks lack candidate for presidential election

BY METIN MUNIR IN ANKARA

TURKEY'S two houses of Parliament, due to meet in joint session today to elect a new head of state, faced an unusual problem with less than 24 hours to go: No official candidates.

Neither of the two main parties—the Justice Party of Mr. Suleyman Demirel, the Prime Minister, and the opposition Republican People's party—has enough seats to secure the required two-thirds majority.

Any candidate must also be acceptable to the army—five of Turkey's six Presidents have been former army officers—and this has magnified the problem.

The seven - year term of President Fahri Koruturk expires in two weeks' time. If no new President is elected by then, the Speaker of the Senate will become acting President. He is Mr. Ihsan Sabri Caglayangil, a Justice Party member.

## Zambia running short of maize

BY MICHAEL HOLMAN IN LUSAKA

ZAMBIA WILL run seriously short of its staple food, maize, within the next few weeks, unless shipments from South Africa can be stepped up, experts here agree.

After a disastrous 1978-9 maize crop of 350,000 tonnes, Zambia has been unable to meet domestic needs of 55,000 to 60,000 tonnes a month. Over the past few months it has been dependent on supplies from South Africa, supplemented by consignments from Kenya, Tanzania, and Malawi.

Delays in payments and transport problems have left the country with no more than four weeks' supplies. The position is aggravated by the size of the 1979-80 crop. Crop estimates vary between 400,000 and 500,000 tonnes, but it will be well below the country's needs, and the import programme will have to continue late into the year.

The issue worrying officials here is whether imports of maize can keep up with demand until the present crop is harvested. South African supplies are brought in by rail through Rhodesia via the border town of Livingstone, and also by road across the Chirundu Bridge.

According to Rhodesian officials, of the 200,000 tonnes ordered from the Republic, only 40,000 has been shipped. The officials say that 2,000 tonnes a day should be crossing the border to meet Zambia's daily needs, but the average is only 500 tonnes. They blame delays in payments to South Africa and a slow turnround of rail wagons inside Zambia itself.

Rhodesia is unable to supply maize because it is fully committed to exporting between 10,000 and 12,000 tonnes a month to the Shaba province of Zaïre, Zambia's northern neighbour.

The U.S. is arranging to send Zambia 82,000 tonnes, but shipments are not expected to start until the end of April. Some of this maize will come through the Tanzanian port of Dar-es-Salaam, and along the Tanzania-Zambia railway.

Many Frenchmen believe Britain should have a new status: **Robert Mauthner** reports

# Why Paris favours an EEC armistice

THE EMOTIONAL fog shrouding the dispute over Britain's contributions to the European Economic Community budget has inevitably led to a hardening of positions by the two chief protagonists — the UK and France. The point has now been reached at which even the most rational and objective official observers on both sides of the Channel are accusing each other's Governments of Machiavellian designs which go well beyond the basic issues of financial contributions and lamb imports.

Accusations are rife in Paris that the British are bent on destroying the foundations of the European Community's financing system, and on wrecking the Common Agricultural Policy. In London, there appear to be some people who have convinced themselves that the French hope to force the UK to quit the Community. France, according to this school of thought, wants to bring about a crisis to hasten Britain's departure.

If this view has gained ground, it is clearly because there have been behind-the-scenes rumblings in Paris that the relationship between Britain and the Community might be happier if the UK were given some kind of special associate status. Under such an arrangement, some argue, Britain would still co-operate politically with the Community, and might even benefit from some industrial provisions, but would be rid of what it considers the unacceptable burden of the Common Agricultural Policy.

It should be said straight away that no official proposal has been made, although such a plan has been advocated within the past few days by M. Jacques Chirac, the Gaullist leader, expected to run against President Valery Giscard D'Estaing in next spring's presidential election.

Certainly, the French have been increasingly irritated by Britain's continuing objections to the terms it agreed to in its membership treaty. The feeling in Paris is that the Community made a major concession by agreeing to re-negotiate those terms with Mr. Harold Wilson's Government, and that re-negotiations cannot go on indefinitely. But it is clearly wrong to suppose that the French want to provoke a crisis when President Giscard's whole foreign policy is geared to making a united Europe more influential in world affairs.

A crisis in Europe would not only jeopardise President Giscard's efforts to give the Community a role in solving the East-West conflict over Afghanistan, and to forge closer links between the Community and the Arab world, but could also harm him domestically. In the short term, there can be little doubt that French public opinion would support him in any battle with Britain. In the longer term, an upheaval in the European Community might well affect France's relations with its partners and could lead to a decline in its influence.

European unity has always been a cornerstone of President Giscard's foreign policy, and his political opponents would use a serious rift between the Nine as a convenient weapon in the run-up to the presidential election. All the indications are that France wants an amicable settlement with Britain, but will not accept just any terms.

Perhaps unrealistically, given the history of past quarrels in the Community, the French have always argued that Mrs. Margaret Thatcher, the British Prime Minister, has waged a counter-productive campaign in support of the UK's demands. They consider her manner to have been inflexible and too aggressive, and that calmer diplomacy might have achieved more.

It is not at all certain, for instance, that Mrs. Thatcher's appearance on French television helped the British Government's case, since she appeared to be appealing to French public opinion over the heads of the French government. While she made a good personal impression, her arguments carried no greater weight in France than they would if they had been reported in the Press. Moreover, it provoked the French Government into issuing a particularly intransigent statement that it would not even discuss Britain's demands at the forthcoming Brussels summit meeting unless the European Commission presented formal proposals on the subject.

The hostility has eased slightly since then. France has become more conciliatory, despite Mrs. Thatcher's warning that Britain might suspend its payments of value-added tax to the Community budget if no solution were found in Brussels on March 31 — a threat which provoked a sharp French rebuke. The French Cabinet issued a statement last Wednesday that it was prepared to work out a compromise for the UK's financial difficulties.

The desire for an agreement has been clearly stated. But the obstacles are still very large, because the French have imposed important conditions. France has emphasised it will not accept fundamental changes to the Community's system of "own resources" financing, under which all customs duties, farm levies and a proportion of value-added tax receipts are paid into the common budget. Any measures taken to alleviate a member country's financial burden must be temporary, not permanent as the UK has demanded. Nor will the French accept a mechanism under which net budgetary contributions are calculated on the basis of gross national product, another suggestion Mrs. Thatcher has made.

The French argue that the Community's financing system, which has the dual advantage of providing it with a budget from its own resources and of stimulating intra-community trade, is a unique achievement and an essential part of its structure. Moreover, it was set up in 1970 by a common decision of the member countries, and accepted by all those who subsequently joined, including Britain.

Paris recognises the validity of the rider to Britain's membership treaty which states that if "unacceptable situations" arise within the Community, the member states undertake to find equitable solutions, but this statement begs many questions.

French officials argue that "unacceptability" is a matter of appreciation, and nowhere is it stated that a member should receive from the community budget broadly what it pays in, as the British Government has demanded.

An equally important French condition is that any measures taken to reduce Britain's net budget contributions must be part of a package embracing all the Community's present problems. This is taken to mean that agreement must also be reached on lamb, agricultural prices, fisheries and, possibly, energy.

The reasons behind this last condition are not difficult to find. With M. Chirac, the Gaullist leader, and the powerful farmers' union already snapping at President Giscard's heels, and the left-wing Opposition parties poised to make the maxium political capital out of any French cave-in, only a complete agreement giving France clear benefits would be acceptable to him. If France has been holding out on lamb, it is precisely because it could be used as a bargaining counter in a package deal.

Above all, any solution must avoid giving the impression that France is being saddled with a big extra financial burden, for the French economy is far from healthy. France's heavy dependence on imported oil has led to a substantial trade deficit since the beginning of this year, not much less than the total shortfall for 1979.

What does all this mean in practice? France is clearly prepared to increase the amount offered to Mrs. Thatcher at the last summit, in Dublin, but present indications are that it considers the absolute limit to be no more than half the £1.2bn net budgetary contribution Britain is expected to make in 1980. It all depends on the *quid pro quo*. The French will certainly insist on Community regulations for lamb, to protect their own sheep-farmers.

While doubtful that a final agreement can be reached at Brussels, the French hope that at least the groundwork can be done for a compromise. An agreement could be tied up in a less emotional atmosphere at the next European summit. An armistice preceding a full and fair peace settlement would be the ideal way to tackle the problem, in the eyes of many French officials. But anyone expecting another Waterloo will be disappointed.

President Giscard and Mrs. Thatcher: upheaval in the Community could lead to a decline in France's influence.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates $365.00 per annum. Second Class postage paid at New York, N.Y., and at additional mailing centres.

# UK NEWS

## Pye TMC to expand Scottish plant

BY RAY PERMAN, SCOTTISH CORRESPONDENT

PYE TMC, part of the new Philips Business Systems group, said yesterday that it is to expand its manufacturing plant at Airdrie, near Glasgow, to handle large orders placed by the Post Office.

*This development follows* Wednesday's announcement that the Dutch Philips group had reorganised its UK *operations* as part of a strategy to strengthen its position as a *supplier of electronic office* products. Four of its British operations—Pye TMC, Philips *Data Systems, Pye Business* Communications and Philips Business Equipment were merged to form Philips Business Systems.

Similar reorganisations of Philips' interests in other countries is expected to follow, *aimed at unifying development* and marketing in the face of *increasing international* competition.

Investment of £2.5m will be made *in* expanding at Airdrie and taking over a vacant factory at nearby Bellshill. Over *the* next four years there will be 250 jobs created, in addition to the 850 present employees.

The *Airdrie* plant makes electronic telephone and public exchange equipment, but Mr. Dominic MacKay, manufacturing director, said that a range of new products would be introduced *this year.*

They would include the development and manufacture *of viewdata terminals for the* Post Office's Prestel system and a new Herald telephone switchboard intended for small businesses. Both have been *designed* by Pye TMC at Malmesbury, Wilts.

The *Herald* contract, worth £10m, calls for the supply of 40,000 units over the next 22 months.

Mr. MacKay said that the viewdata order was initially small, for 500 terminals intended for the launch of the Prestel system. But the company had strong hopes of follow-on contracts and was already receiving inquiries from private customers.

"We believe that viewdata will be a growing market with *sales to* private users as well as to the Post Office," he added.

● Also in Glasgow yesterday *Shaw and McInnes, a subsidiary* of Sears Holdings, opened a £500,000 foundry at the Firhill Ironworks. The high-frequency electric furnace is semi-automated

## Illingworth Morris to buy U.S. clothing companies

BY RHYS DAVID, TEXTILES CORRESPONDENT

ILLINGWORTH MORRIS, the *wool textile group, is planning* two major U.S. acquisitions to strengthen its position in *international markets.* The group is the largest U.K. wool textile company, but is running at a loss.

This was disclosed in London *yesterday by two members of* the new executive team which now controls policy at IM, Mr *Thomas Yeardye, a British-born* American business executive, and Mr Morgan Mason, son of Mrs Pamela Mason, the television performer whose family trusts control the group.

The two companies to be acquired have not been named but both make *clothing in New* York, one with a turnover of $50m (£22.7m), mainly in menswear, *the other with a turnover* of $40m, mainly in women's wear. If negotiations with the groups succeed, both will be developed as major outlets for cloth from I.M.

I.M. also has executives in China negotiating another deal *to improve the fortunes of the* group. The Chinese have expressed interest in a joint *venture with I.M. for making* cashmere knitwear, with I.M. providing the expertise to set up a plant to process Chinese raw materials. The main market would be *the U.S., which* according to Mr Yeardye already takes 10,000 luxury fibre garments a *week from* China. He said it was hoped to complete the deal in April.

Through Mr Yeardye and her *son, Mrs Mason is evidently now* substantially controlling the direction of I.M., though day-to-day management is still in the hands of Mr Donald Hanson and *Mr Peter Hardie, the group's* two Yorkshire-based joint managing directors. Mr Mason and *Mr Yeardye are both based in* California, where a new group office has been opened, although *the American headquarters* is likely to be transferred to New York if the proposed acquisitions go through.

Mr. Yeardye said yesterday that the group, which has cut *back employment* to 7,000 from 10,000 in 1976, had shrunk far enough. He claimed the company had been trading profitably in the past month and forecast profit in the first *six* months of the next financial year from April 1.

Further rationalisation of the group is to be announced before April involving closure of parts of the loss-making Joshua Hoyle subsidiary, which makes cotton and denim fabrics.

I.M.'s major problem in the UK has been its heavy debt of more than £20m, the result of a vigorous acquisition policy pursued by the former majority shareholders, Maurice and *Isidore Ostrer, both of whom* died in 1976.

Mr. Yeardye said yesterday that 80 per cent of the financing for the new U.S. acquisitions would be arranged in the U.S., where several banks had already *given a favourable response.* I.M. would also realise its holdings in other companies where it was in a minority. These include Hield Brothers and Cawdaw in the UK and various companies on the Continent, in South Africa and in Australia.

*The main difficulty faced by* UK wool textile groups in selling to the U.S. has been the very high tariff—almost 50 per cent —and I.M. will still have to surmount this to supply its proposed new subsidiaries. Some savings would be achieved, however, *Mr. Yeardye said*, by eliminating agents' commission. Some of I.M.'s best-known cloth *names,* such as Hunt and Winterbotham and Hare of England, may also be used on U.S.-made clothing.

A new chairman of the group is expected to be announced soon. He will replace Mr. Ivan Hill, who returned to I.M. from *retirement three years ago at* Mrs. Mason's request, to reorganise its operations. Since then a number of loss-making units have been cut out and production concentrated in fewer mills, and the management structure has been streamlined.

The new chairman would be British, Mr. Yeardye said, and *he also promised the appointment* soon of a prominent U.S. non-executive director. Negotiations were taking place with a leading businessman who had *held two U.S. Cabinet posts.*

## £250,000 damage to ship was negligence

By Raymond Hughes, Law Courts Correspondent

NEGLIGENCE by wharf operators was responsible for damage put at *£250,000 being* caused to a Greek ship in Neath, South Wales, the High Court ruled yesterday.

Mr. Justice Parker said that the damages to be paid by the wharfingers, Briton Ferry Stevedoring, of Cardiff, would be assessed later.

The *wharfingers* had been sued by Alberta Shipping, of Piraeus, owners of the Neapolis II.

The judge said that the Neapolis II arrived at Neath on September 18, 1977, with a cargo of 2,500 tonnes of phosphates. She grounded *while* attempting to berth and was not refloated and winched alongside the quay until September 25.

It was agreed the damage was caused by the vessel having been tied up across a culvert outfall. Heavy rain resulted in the outfall discharge scouring a depression in the river bed, leaving the Neapolis II *unsupported amidships.*

Mr. Justice Parker said that Briton Ferry knew that it was *potentially* hazardous to berth across the outfall but had not taken steps to prevent scouring, or put up warning notices.

The failure to put up warning notices had been negligent and the judge rejected a suggestion that it had been impractical to *do so.*

He also rejected suggestions that the damage had been caused by *the negligence of the* vessel's Master.

The owners' solicitors said later that the case was a warning to all wharf operators that they *had* the same legal liabilities as the occupiers of other premises.

## Call to invest more funds in tourism

By James McDonald

THE UK should invest more in tourism says Mr. *Michael* Montague, chairman of the English Tourist Board.

"We are at present only scratching the surface of the potential for tourism development in this country," he told a conference in Sutton Coldfield, organised by the Heart of England Tourist Board.

"People will undoubtedly enjoy more leisure in the years *ahead.*

## Regional agencies' funds to be reduced by 14%

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

GOVERNMENT FUNDS for the four *English development* agencies are to be cut by 14 per cent for the coming financial year, *Sir Keith Joseph,* Industry Secretary, announced yesterday.

His statement means that the agencies have won a reprieve despite criticism by Right-wing Tory MPs who would like to see them scrapped as part of the Government campaign against "quangos."

The funds provided by the central Government for 1980-81 will total £542,000, compared with £629,000 during the current financial year.

Local authorities will have to shoulder a greater part of the financial burden and will be expected to match these sums pound for pound. *The Government* has until now provided £2 for every £1 from the authorities.

The cuts follow the study commissioned by the Government from Cooper's and *Lybrand Associates,* which criticised the agencies' efficiency and economy.

*To improve efficiency, the* Government has decided that county councils who contribute funds will *have* more say *in* running the agencies. They will share the responsibility for *overseeing and co-ordinating* the agencies' activities.

Sir Keith said the cuts were part of the urgent need for economy in all public sector expenditure. It was in line with the Government *policy of* concentrating assistance on the areas of greatest need.

Three of the *agencies suffer* cuts but the Devon and Cornwall Development Bureau will *actually receive an increase,* because parts of the region, such as Falmouth, have become special development areas.

Sir Keith announced figures for the next three years:

North of England Development Council: 1980-81 £210,000; 1981-82, £230,000; 1982-83, £250,000.

*North* West Industrial Development Association: 1980-81, £190,000; 1981-82 £210,000; *1982-83, £230,000.*

Yorkshire and Humberside Development Association: 1980-81, *£60,000;* 1981-82, £65,000; 1982-83, £70,000.

Devon and Cornwall Development Bureau: *1980-81,* £50,000; 1981-82, £55,000; 1982-83, £60,000.

*In a Commons debate yesterday,* Mr. Tom King, Minister for Local Government, hinted that the *Council for Small Industries* in Rural Areas, would be continued. He said that *although its future was under* review, the Government was aware of the strong feeling of Conservative MPs that it should continue, and paid tribute to its valuable work.

## Work for architects 'declining'

By James McDonald

NEW WORK for the architectural profession is beginning to "*dip at an alarming rate,*" says the Royal Institute of British Architects in its latest quarterly *inquiry into private* architects' workload.

"The cutback in public work is not being compensated for by *increased private work,*" RIBA says. "Though employment in private practice has not yet been adversely affected, there is no doubt that, taken together with cutbacks in *public offices,* employment opportunities for architects are being severely *curtailed.*"

### Depressed

Prospects have been further *depressed* since the inquiry was carried out, by the large Government cuts in public housing programmes.

During the fourth quarter, the value of new commissions *received declined* by 5.8 per cent to £1,436m at current prices, or by 9.6 per cent at *constant* 1975 prices. At current prices, there were decreases in the value of new commissions in the Midlands, the South-East and the North, while London, Wales, the *South-West* and Scotland showed slight increases.

## Dunlop launches new range of truck tyres

BY JOHN GRIFFITHS

DUNLOP yesterday unveiled a new range of commercial vehicle tyres which it described *as its "staple"* for the 1980s. Their production is to be rationalised throughout Europe *by Dunlop for the first time.*

The SP311 range, covering all major segments of the European commercial vehicle market, is to be manufactured in Japan by Sumitomo—in which *Dunlop* has a 40 per cent stake — for supplying the North American *market.*

Depending on its success there, it may also be produced at *Dunlop's two existing* manufacturing centres in the U.S.

Dunlop holds second position behind Michelin in both the U.K. and West European markets for *commercial* vehicle radial tyres, and has spent £10m in the past two years on *improving its truck tyre-making facilities* in the U.K. The SP311 represents a bid to improve its market share.

The principal claims made for the new tyres are *longer* life, mainly as the result of reducing "tram-lining," the uneven wear *increasingly* encountered by haulage operators in constant-speed, long distance motorways travel.

The new tyres have a single, wide central channel and *a* narrower, more rounded profile than conventional truck tyres.

*Dunlop also claims a* lowered rolling resistance of 2-3 per cent compared with existing tyres which, for a commercial vehicle covering 60,000 miles a year at 8 miles per gallon, could *represent a fuel saving of* 225 gallons a year.

The new tyres are in the "*premium*" *price* range, costing some 11 per cent more than Dunlop's most widely used conventional truck tyre, the SP111. The latter is to continue in *production.*

## Liberals warn Steel over 'centre party'

By Ray Perman.

A CLEAR warning to Mr. David *Steel, the Liberal leader, not* to go too far in discussing formation of a centre party, was given yesterday by the Scottish Liberal Conference, meeting in Rothesay.

Members overwhelmingly backed a motion calling on MPs *not to enter into discussions* with any people or organisations seeking to create a centre party without the consent of the national Liberal conference.

Mr. Russell Johnston, (L, Inverness) set the tone of the debate when he said the party *should be prepared for co-operation,* but should not be ready to sell the great *Liberal* tradition for a "mish-mash of unsalted social democratic porridge."

## London Transport theatre offer

BY LYNTON McLAIN

LONDON TRANSPORT yesterday announced a scheme for bus and tube passengers to obtain cut-price theatre tickets and meals and half-price membership of Ronnie Scott's jazz club.

On Monday, Tube fares go up by 19 per cent.

The new scheme is designed to attract £1m extra revenue this year.

It is hoped commuters may regard the discounts as a "*reward*" for their forbearance over rising fares.

Selected theatres, British Transport Hotels restaurants in London, as well as the jazz club, will be cheaper *than* normal for all passengers with cheap-day return tickets — *although the number of those* available is reduced — underground season tickets and bus passes.

### 'Clever idea'

*The first* of the offers is for £1 off all seats of £3 and over at theatres—the Old Vic, Sadler's Wells, The Albery, Wyndham's and The Criterion. It is largely experimental. It started yesterday but stops at the end of April.

*More enduring* is the offer of half-price membership (now £5 a year) for Ronnie Scott's in *Soho.* But London Transport would not say for how long.

Ronnie Scott's welcomed the "very clever idea." The West End entertainment world had been "*dismal*" *on evenings* since Christmas. It had room to spare. But all 275 seats are *taken for tonight's final* performance by the Buddy Rich Orchestra.

The club had a similar arrangement some time ago with the Godfrey Davis car hire company.

Meals at Transport Hotels restaurants will be 20 per cent cheaper.

Mr. Basil Hooper, London Transport marketing director who used to work for Transport Hotels, said he wanted to revive Londoner's traditional pride in London. This had been slipping away, partly because of the *influx of tourists.*

London Transport gained £40m of its £350m annual revenue *from tourists. Without* this, fares would have to rise even more.

● London Transport lost £15.7m last year and recently described investment prospects as "*bleak.*"

APPOINTMENTS

## Joel Barnett heads Arthur Henriques

Labour Member of Parliament **Mr. Joel Barnett**, a former Chief Secretary to the Treasury, has been appointed chairman of ARTHUR HENRIQUES, a small Manchester-based manufacturer of ladies clothing. He joins the company in a non-executive capacity.

*This is his second appointment* to the Board of a public company since leaving office last year. In June *he became a* director of Bodycote International, another Manchester-based textiles company.

Mr. Arthur Gold steps down *as chairman of Arthur Henriques but retains his other office of* managing director.

★

DORADA MOTOR GROUP has made the following appointments: **Mr. John Horton** becomes managing director of Dorada Croft. **Mr. Mike Petty** (general manager of Welch-Newport) joins the Board of Dorada Welch; and **Mr. Chris Millington** (general sales manager at Brockholes) has been made a director of Dorada Brockholes.

★

**Mr. Brian Hicks** has joined the Board of ADAMS FOODS as group services director.

★

**Mr. B. C. Sellars** has been *appointed director of administration* of the NATIONAL BUS COMPANY and continues as secretary of NBC. He succeeds **Mr. R. St. C. Sandall**, who has *retired because of ill-health.*

★

C. E. HEATH AND CO. (LMX) is to be formed as a subsidiary of C. E. Heath and Co. (Reinsurance Broking) from April 1. **Mr. K. D. Gillies** will be *chairman of the new company* and **Mr. R. J. H. Dunn** is joining the group as managing director of C. E. Heath and Co. (LMX). Mr. Dunn has also been appointed a director of C. E. Heath and Co. (Reinsurance Broking) from the beginning of next month.

★

*Following the change of* ownership of ROBERT FRASER AND PARTNERS, reported on March 7, the former directors have resigned and the new *appointments to the Board* are **Mr. J. C. Deeks** (chairman), **Mr. A. L. V. Gandry**, **Mr. C. J. Emson** and **Mr. A. Coutts**. **Mr. K. J. Prior** becomes general manager on April 1. **Mr. J. D. Plassey** and **Mr. J. L. Ashby** are investment managers. The registered office and business premises of RFP have been transferred to 28b Albemarle Street, London, W1X 3FA.

★

**Mr. J. R. Gough** and **Mr. J. B. Sheldon** have been appointed directors of ARBUTHNOT INSURANCE SERVICES.

★

**Mr. Robert G. Page**, president and chief executive of *Leesona* Corporation of Rhode Island, U.S., now part of the John Brown *Group*, has joined the management Board of JOHN BROWN. He continues as chief executive of a *new Leesona* division of John Brown which now additionally incorporates all the companies in the *John Brown* Plastics Machinery Group.

# Perry moves 500 tons of 'blacked' steel

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

PRIVATE STEEL stockholders Howard E. Perry have managed to remove 500 tons of "blacked" steel from Wolverhampton and Brierley Hill rail freight terminals.

The steel was taken to an unknown destination — not to Perry's premises at Willenhall —and has been sold.

On Monday a High Court judge ordered British Rail to deliver the steel to Perry, or allow the company into the terminals to collect it.

The judge said that British Rail's fears of intensified industrial action did not justify its refusal to allow the steel to be moved.

On Tuesday, 13 lorries carrying the steel from the terminals were intercepted by police half a mile from Perry's. The drivers, members of the National Union of Railwaymen, were told by the company's transport manager that there was no point in continuing as Transport and General Workers Union members at Perry had said they would not unload the steel.

The drivers, who were under union instructions not to cross a steel workers' picket at Perry, returned the steel to the depots.

British Rail yesterday confirmed that it no longer had the steel in its yards. It declined to say when, how, or by whom the steel had been moved. It was now in Perry's possession, it said.

Legal moves by Perry to free two more consignments of "blacked" steel were adjourned for a further seven days yesterday. The company is seeking High Court orders, similar to that it obtained against British Rail, against Trucking and Shipping, which operates at Gunness, on the River Trent, near Scunthorpe, and Humberside Sea and Land Services, of Immingham, South Humberside.

Perry has 397 tons of steel held up at Trucking and Shipping and 9,000 tons at Immingham.

Perry's lawyers said that the two cases had been adjourned by consent and that "matters are proceeding."

Mr. Ernst Pleyer, Perry's joint managing director, confirmed that the steel had left the freight terminals.

"I have sold the steel to someone else," he said, adding that, as far as he knew it had been delivered by British Rail to the purchaser, whom he declined to name.

He said that the steel had never reached Perry. As far as Perry was concerned the matter was closed, said Mr. Pleyer.

# Court orders release of imported pipe

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

A SECOND steel company has successfully applied to the High Court for the release of steel held up by industrial action.

Tyne Tube Services, of Blaydon, Tyne and Wear, was granted an order yesterday that North Sea Ferries must allow imported steel pipe to be removed from the NSF compound at Hull Docks.

Mr. Justice Whitford was told by Mr. Nicholas Stewart, for Tyne Tube Services, that two wagon loads of steel had arrived at the docks from the continent two weeks ago.

The pipe was urgently needed to help carry away flood water in a North of England mine, said Mr. Stewart. If it did not reach the mine in the next week, thousands of pounds' worth of damage might be caused.

Counsel added that the mine face could be flooded within the next day-and-a-half if there was sudden bad weather.

Tyne Tube Services had tried to collect its steel this week, but had not had the necessary authorisation from NSF to satisfy the requirements of the British Transport Police, said Mr. Stewart.

Mr. Simon Crookenden, for ferry company, said the steel had been held up, "in the interests of union solidarity." The unions had warned that NSF would face a damaging strike if it authorised the release of the steel to Tyne.

"If that happened, NSF would lose £50,000 a day and the entire port of Hull could come to a standstill," said Mr. Crookenden.

He said NSF was in a difficult position. Het had no instructions to agree to any order but, in view of the court's decision on Monday to order British Rail to release "blacked" steel to Howard E. Perry, he could not reasonably resist an order being made against NSF.

He suggested that, in order not to put the onus on NSF to deliver up the steel, it should merely be instructed to do all in its power to facilitate its release.

The judge said NSF must issue the documentation required by British Transport Police for the release of the steel.

Tyne Tube Services later refused to comment on its plans to remove the steel from the docks.

## EUROPEAN OPTIONS EXCHANGE

| Series | | April Vol. | April Last | July Vol. | July Last | Oct. Vol. | Oct. Last | Stock |
|---|---|---|---|---|---|---|---|---|
| ABN C | F.260 | — | — | 10 | 2.30 | — | — | F.256.50 |
| AKZ C | F.25 | 25 | 0.30 | — | — | 17 | 1.50 | F.22.80 |
| AKZ C | F.27.50 | — | — | 1 | 0.60 | — | — | " |
| AKZ C | F.35 | 1 | 2 | — | — | 25 | 3.40 | " |
| ARB C | F.55 | 10 | 2.30 | — | — | — | — | F.55.50 |
| ARB C | F.60 | — | — | 20 | 1.30 | 5 | 1.50 | " |
| HEI C | F.65 | 5 | 2.60 | — | — | 7 | 3.70 | F.61.10 |
| HEI C | F.70 | 10 | 0.40 | — | — | 3 | 2.50 | " |
| HEI P | F.75 | — | — | — | — | 2 | 1.50 | " |
| HO C | F.17.50 | — | — | 4 | 2.30 | 14 | 3.20 | F.18.10 |
| HO C | F.20 | — | — | 2 | 1.20 | 10 | 1.80 | " |
| IBN C | $60 | — | — | 9 | 4½ | — | — | $58 |
| KLM P | F.50 | 1 | 4.50 | 10 | 7.50 | 5 | 7.30 | F.68 |
| KLM C | F.70 | 10 | 0.40 | 68 | 2.50 | 3 | 4.40 | " |
| KLM C | F.80 | 5 | 0.10 | 30 | 0.50 | 2 | 1.50 | " |
| KLM P | F.90 | — | — | 4 | 0.30 | — | — | " |
| KLM P | F.60 | 6 | 1.60 | 3 | 4 | 1 | 5.10 | " |
| KLM P | F.70 | 96 | 6.70 | 3 | 8 | — | — | " |
| KLM P | F.80 | 12 | 16.50 | 1 | 16 | — | — | " |
| NN C | F.100 | 20 | 5.20 | — | — | — | — | F.103.20 |
| PET C | Fr.5500 | 1 | 150 | — | — | — | — | Fr.5140 |
| PET C | Fr.6000 | — | — | 5 | 140 | — | — | " |
| PET C | Fr.6000 | 2 | 880 | — | — | — | — | " |
| PHI C | F.17.50 | 64 | 0.70 | 29 | 1 | 46 | 1.60 | F.17.60 |
| PHI C | F.20 | 15 | 0.20 | 254 | 0.40 | 39 | 0.80 | " |
| PHI P | F.17.50 | — | — | — | — | 10 | 1.50 | " |
| PHI P | F.20 | 3 | 2.30 | — | — | — | — | " |
| RD C | F.140 | 30 | 11.40 | — | — | — | — | F.149.30 |
| RD C | F.145 | 31 | 7.60 | 10 | 10.50 | — | — | " |
| RD C | F.150 | 420 | 4 | 119 | 7.50 | 33 | 10 | " |
| RD C | F.160 | 411 | 1.60 | 283 | 4.30 | 27 | 6.40 | " |
| RD C | F.170 | 2 | 0.50 | 85 | 1.60 | 21 | 3.50 | " |
| RD P | F.140 | 317 | 1 | — | 4.30 | 10 | 6 | " |
| RD P | F.145 | 306 | 2 | 17 | 6.50 | 19 | 8.80 | " |
| RD P | F.150 | 197 | 3.50 | 10 | 8.80 | 10 | 12 | " |
| RD P | F.160 | 175 | 10.80 | 19 | 14.10 | 13 | 18 | " |
| RD P | F.170 | — | — | 103 | 23 | 10 | 25 | " |
| UNI C | F.115 | 20 | 0.60 | 3 | 1.60 | 10 | 2.50 | F.106.50 |
| UNI C | F.120 | — | — | — | — | 15 | 1.50 | " |
| UNI P | F.105 | — | — | 2 | 4.30 | — | — | " |
| UNI P | F.110 | — | 3.20 | — | — | — | — | " |
| Series | | May Vol. | May Last | Aug. Vol. | Aug. Last | Nov. Vol. | Nov. Last | Stock |
| OXY C | $25 | 5 | 2⅛ | — | — | — | — | $24¼ |
| SIE C | DM.270 | 10 | 3 | — | — | — | — | DM275.40 |
| SIE C | DM.390 | — | — | — | — | 5 | 9 | " |
| SLB C | $120 | 3 | 2 | 2 | 6 | — | — | $102⅛ |

TOTAL VOLUME IN CONTRACTS 2868

C=Call P=Put





# Challenge by BSC on board pay allegations

By Maurice Samuelson

A PROTRACTED war of nerves was waged between the British Steel Corporation and the Iron and Steel Trades Confederation yesterday, following allegations that directors were seeking big salary rises while resisting union wage demands.

While leaders of both sides were negotiating on how to settle the strike, British Steel challenged a union official to produce evidence by 5 pm for allegations he had made. It appeared to imply that failure could have serious implications.

### Brief letter

The challenge was in a brief letter to Mr. Sandy Feather, national strike co-ordinator of the ISTC. It was delivered to the confederation's Gray's Inn Road headquarters just before midday by Mr. Ronald Melvin, British Steel's chief press officer.

It was signed by Mr. Rob Roseveare, British Steel's managing director of policy and co-ordination, in his capacity as corporation secretary. It said:

"Reports about salary demands involving alleged memoranda or submissions by Mr. Scholey and Mr. Holloway have been published in today's Press in connection with statements linked with your name."

British Steel has firmly denied the existence of any submission of any sort on pay.

After talking to a solicitor, Mr. Feather arrived at British Steel at about 4.40 pm.

# Stocks fall slightly

Financial Times Reporter

THE WEEKLY steel strike survey by the Confederation of British Industry showed that although industrial output fell slightly against last week stocks of steel increased.

Most of the 56 companies that answered its questionnaire had stocks of steel for at least four weeks. Few were worried about the next fortnight.

There was no change in proportion of companies, a fifth, which said they were significantly affected by the strike. Most could obtain imported steel, with the right amount of ingenuity.

# Part-time director for shipbuilders

By John Elliott, Industrial Editor

THE GOVERNMENT yesterday announced the appointment of a second businessman as a part-time Board member of British Shipbuilders.

He is Mr. Stanley Harding, a chartered accountant, who is on the board of a number of companies including BPB Industries and Hill Samuel. He is a former finance director of Thomas Tilling and chairman of Cornhill Insurance.

The first businessman to be given such a part-time post was announced in January. He is Mr. John Gardiner, chief executive of the Laird Group. Both appointments last for two years and carry a salary of £1,800 a year, rising from April 1 to £2,250.

The Government's aim is to strengthen the commercial experience of the Board by bringing in part-timers.

Meanwhile, the top two posts in the nationalised corporation are being changed with the departure in May of Admiral Sir Anthony Griffin, the chairman, and Mr. Michael Casey, a deputy chairman and the chief executive.

### More money to lend

THE NATIONWIDE Building Society plans to raise its mortgage lending to £90m a month from April, Sir Herbert Ashworth, chairman, said yesterday. In 1979, Nationwide lent an average of £72m monthly. The year's total lending of £866m compared with £603m investment receipts.

### Belfast flights

EARLY EDITIONS of Thursday's paper carried a story about the first direct air link between Northern Ireland and the Continent under the headline, "Air service to Dublin approved." In fact, the story related to flights to Belfast. We apologise for the error.

### Laing resignation

Sir Frederick Catherwood, a Euro-MP, is resigning from the board of John Laing, the building, civil engineering and building materials group from next Friday.

### Plucknett elected

Mr. George Plucknett has been elected president of the NATIONAL HOME IMPROVEMENT COUNCIL. Mr. Michael Hastilow has become chairman and Mr. Ian Robey and Mr. Robert Willan vice-chairmen.

# New Act shields companies from U.S. anti-trust laws

BY PAUL CHEESERIGHT

THE GOVERNMENT'S creation of a legal shield around UK companies, to protect them from provisions of U.S. anti-trust law, has been completed in a stronger form than first intended.

The Protection of Trading Interests Bill has received the Royal Assent, the Department of Trade said yesterday. But, in its passage through Parliament, the Bill was toughened to allow for future legal alliances with countries similarly antagonistic to U.S. anti-trust procedures.

The Bill was introduced last November to protect British companies from treble damage judgments handed down by U.S. courts. It was designed to counteract U.S. assertions of control, often through anti-trust laws, over trading activities which have a bearing on U.S. commerce even though transacted outside the U.S.

The Act contains a novel element. It provides for UK companies hurt by the imposition of treble damages in the U.S. courts to use the British courts to seek recovery of the punitive element in the damages.

Recovery could be effected from the UK assets of the U.S. company, benefiting from the damages judgment, if there are any. Such assets would include export shipments, or shares in a subsidiary.

An addition to the original Bill, however, gives the Secretary for Trade power to sign bilateral conventions for the mutual enforcement of the recovery clause.

This would mean that a UK company would be able to seek recovery of damages not only in Britain but in any other country passing legislation along the lines of the Protection of Trading Interests Act and subsequently signing a convention with the UK.

The Government now has at hand a means both of widening the protection for companies and of creating an international front against unacceptable U.S. legal practices.

Australia, Canada, France, Italy and the Netherlands, all of which have high levels of U.S. investment, have been considering a strengthening of their protective legislation.

Development of an international coalition—certain to be opposed by Washington—could act as a deterrent to U.S. companies contemplating actions against foreign concerns for trading activities which are legal outside the U.S. even though they are questionable inside it.

The most immediate effect could be on litigation building up among U.S. shippers against European shipping groups for their operation of a price-fixing conference system, and on the uranium cartel case brought by Westinghouse Electric and the Tennessee Valley Authority against Rio Tinto-Zinc and other uranium producers.

# BMW chief warns against protectionism

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

THE EUROPEAN motor industry should not resort to protectionism, said Mr. Eberhard Von Kuenheim, chairman of BMW, the West German group, yesterday.

"European manufacturers must offer better alternatives to the challenge from overseas. Protectionism has tended to restrict innovation rather than promote it," he maintained.

Referring specifically to Japan, Mr. Von Kuenheim suggested: "The problem with the Japanese is that they take full advantage of the free market in Europe but resort to protectionism at home."

Mr. Von Kuenheim said that if the Japanese lived by the same "fair trade" code as the Europeans, there was no reason to object to co-operation between Japanese companies and those in Europe.

Mr. Von Kuenheim was speaking at the formal opening of the new £7.5m headquarters of BMW's British subsidiary at Bracknell, Berkshire.

This year BMW (GB) expects to import and sell around 14,000 cars and 3,000 motor cycles, the same as in 1979, even though the total car market is expected to fall. UK sales are expected to reach £130m in 1980.

# Labour's commission of inquiry ignores Militants

BY PHILIP RAWSTORNE

LABOUR'S commission of inquiry yesterday brushed aside the growing demands from party moderates for action against the "infiltration" by the Trotskyist Militant Tendency.

Mr. David Basnett, the union leader and co-chairman of the commission, said after its meeting that the Underhill report had not been discussed. "There have been no proposals from Lord Underhill to the commission."

With the party's Left-wing-dominated national executive continuing to resist moves against the Trotskyists—who yesterday claimed their influence on the party had been under-estimated—moderates had hoped the commission would take immediate action.

Mr. William Rodgers, the party's defence spokesman, said yesterday that it was vital that the implications of Lord Underhill's evidence should be studied and discussed at all levels of the party.

"It is my hope that everyone who is concerned that the party remains free and democratic will act swiftly," he said.

Mr. Ian Mikardo, Left-wing MP for Bethnal Green, said however that Militant did not pose any threat to party stability.

But Mr. Ted Grant, one of the founders of the Militant Tendency, yesterday claimed that Lord Underhill had greatly under-estimated its influence.

The Labour Party Young Socialists yesterday "totally rejected" the Underhill report and supported the "socialist aspirations" in the party.

"Accordingly . . . we fully endorse the Marxist programme consistently campaigned for by Militant."

# Tapsell calls for remedial Budget

By Philip Rawstorne

**THE GOVERNMENT had made "a catalogue of misjudgments" in its financial management during the past nine months, Mr Peter Tapsell, Tory MP for Horncastle, said last night.**

**Mr Tapsell, a stockbroker and one of the party's former finance spokesmen, told his constituency annual meeting that positive remedial action was needed in next week's Budget.**

**Real public expenditure still had to be cut, incentives for most workers increased, new resources to private industry transferred, and the money supply put under effective control.**

**Mr Tapsell said the Government must learn from the eight crucial errors it had made—particularly in its reliance on monetary policy.**

**He said: "It was a mistake to raise VAT to 15 per cent last year . . . to load the budgetary deficit so heavily on to the first half of the fiscal year.**

**"It was a mistake not to agree on reductions in real public expenditure last summer . . . to overlook the surge of bank lending until November.**

**"It was a mistake to abolish exchange control before the Bank of England had invented a satisfactory alternative to the 'corset.'**

**. . . "It was a mistake to rely on M3 as the yardstick for the money supply.**

**"It was a mistake to depend so exclusively on the manipulation of the money supply, when it cannot yet be accurately measured or controlled . . . a mistake to rely on monetarist exortation and gloomy economic prediction when what has been needed is positive remedial action."**

**He was not calling for any U-turn in Government policy. "My criticism is that we have been slow to start the journey."**

**But he warned the Government could not opt out of all responsibility for wage levels.**

# PM seeks to rally Tory loyalty

By Philip Rawstorne

MRS. MARGARET THATCHER is expected to make a strong appeal for party loyalty at today's meeting in Bournemouth of the Conservative Central Council, writes Philip Rawstorne.

The Prime Minister will attempt to rally morale and support for the Government in the political difficulties it faces over the coming months. Eight senior ministers are attending the conference in an effort to assuage unease among the party's rank and file.

Motions tabled at the meeting of party agents and local activists which opened yesterday, reflect doubts and impatience over various aspects of Government policy.

Another key speech will also be made at the meeting today by Mr. James Prior, Secretary for Employment.

Mr. Francis Pym, Defence Secretary, assured the party yesterday that the Government would steadfastly pursue the "only economic policies" that offered a remedy for the country's problems.

# Water workers accept 21.4%

BY PHILIP BASSETT, LABOUR STAFF

WATER workers in the two largest unions in the supply and sewerage industry have voted by about two to one to accept a 21.4 per cent pay offer.

The results remove any remaining possibility of damaging strike action in the industry this year.

Union negotiators yesterday contacted the employers to accept the offer following the announcements of voting by members of the General and Municipal Workers' Union and the National Union of Public Employees.

The GMWU announced the result of a postal ballot of its water members on the offer which was conducted by the Electoral Reform Society.

The ballot showed 10,052, or 66.9 per cent of those voting, to be in favour of accepting, with 4,927 against, or 32.8 per cent.

Union officials were concerned, though, that the 63 per cent turnout was a low poll on such an important issue as the question of whether to accept the offer or follow the call of a delegate conference for an all-out strike.

A total of 23,762 ballot papers were sent out and 15,013 returned.

The water national committee of NUPE also agreed to accept the offer yesterday after considering regional voting returns.

These showed 4,946, or 68.3 per cent of those voting, to be in favour of accepting the offer with 2,294 against, or 31.6 per cent.

Both NUPE and GMWU officials were concerned that the negotiations had been so drawn out. The group's annual settlement date is in December.

The deal increases basic rates from £49.60 - £54.80 to £60.52 - £66.84. A further supplement of £5 across the board is outstanding from last year's deal.

The £30.3m deal also includes a commitment for a cut in hours this year.

# Council pay talks may reopen

By Our Labour Staff

LOCAL authority employers yesterday cleared the way for the reopening of talks with unions representing 560,000 council white-collar staff whose industrial action is halting the issue of rate demands.

A special meeting of the Local Authorities' Conditions of Service Advisory Board, which represents council employers and their associations, urged the employer's negotiators for the white-collar staff—in dispute over a 10-22 per cent pay comparability claim—and 2,500 council chief officers also in dispute to meet quickly to consider the action being taken.

The board expects talks with the staff sides for the two groups to resume soon. The employers' negotiators for the chief officers will now meet on Monday, and those for the white-collar staff on Tuesday.

The board feared a serious deterioration of councils' industrial relations and wanted to prevent the two sides from becoming entrenched.

Any movement on Monday on the chief officers' 12 per cent comparability offer, which has been rejected by the staff side, could affect the following day's meeting on the white-collar staff.

Mr. Alan Jinkinson, local government officer of the National and Local Government Officers' Association, which represents most of the white-collar staff, welcomed the board's decision "provided the staff side is satisfied that there will be something positive to talk about."

NALGO reported three further local settlements above the employers national 6-12 per cent comparability offer: Gloucester, with 9-19 per cent, or 13 per cent on the pay bill; North-east Derbyshire with 9-18½ per cent; and Leicester, with 8-16 per cent, or 12 per cent on the pay bill.

● Supplementary health service workers, including radiographers and physiotherapists, are likely to take part in a joint union programme of industrial action over their recent pay comparability award, NALGO said yesterday.

The union's forecast followed a special health group meeting yesterday, which laid plans for consulting members in hospitals throughout the country on their response to a 15.4 per cent award by the special commission on pay under Professor Hugh Clegg. NALGO warned yesterday that a meeting of all unions representing the group in just over a week was likely to decide on a joint course of action.

# Printers' 'siege' forecast

By Pauline Clark, Labour Staff

**EMPLOYERS representing some 4,000 provincial newspaper groups and general print companies throughout the country are preparing for a six- to eight-week siege against selective industrial action by the industry's main craft union.**

**They said yesterday that companies were taking a firm stand in the industry's pay dispute. Action was expected to be concentrated on newspapers and national magazines.**

**The National Graphical Association has warned individual companies that unless they accept its proposals for an interim pay increase to 65,000 printers, it will start selective industrial action.**

**The action is expected to start sometime towards the middle of next week following a five-day grace period given by the union for consideration of their offer.**

**The employers' side, which includes the British Printing Industries Federation with 3,700 members and the Newspaper Society with some 300 members owning about 1,200 newspapers, will meet next week to discuss plans for a fund to help members hit by industrial action.**

**The federation said yesterday that all its regional alliances had supported employers' advice to resist the printers' demand for an £80 minimum. The federation says if the claim is met it could increase wage costs by between 25 to 40 per cent because of the effect on bonuses and shift pay.**

**Talks at national level broke down last week when the union rejected an offer estimated to be worth 20.6 per cent, although there is disagreement over its value. This included a £75 a week minimum earnings level.**

# Civil Service protest urged

**CIVIL service unions will be asked next week by the Society of Civil and Public Servants to organise an "immediate campaign of joint action" in protest against Government interference with the pay agreement for their 600,000 white-collar members.**

**The SCPS executive decided yesterday to press the unions' National Staff Side for all-union protest meetings during work hours.**

**But other unions are likely to resist the pressure from the SCPS.**

ALAN FRIEDMAN ON A DIY MERGER

# MFI wants added Status

MFI WANTS ADDED STATUS

THE MFI offer for Status Discount, at a premium price which values Status at £30m, can be seen as a logical move in the furniture industry.

Both companies specialise in the kitchen and bedroom furniture market, although MFI has additional interests in lounge and dining room furniture and upholstery. In both companies, DIY-related "kit furniture" sales amount to about 90 per cent of total sales. The two companies, between them control 135 stores and more than 2m square feet of selling space.

About 80 of these outlets are the large—25,000 square foot and more — "superstores" which are fast claiming a large chunk of the UK market.

But hte state of consumer spending in Britain and the possibility that the DIY market will not grow so fast this year suggest that MFI's decision has been motivated by considerations beyond the normal logic of "synergy."

Recent estimates say DIY sales growth will drop from 7-8 per cent last year to 2-3 per cent in 1980. MFI and Status are not pure DIY groups, but they do concentrate heavily on self-assembly furniture products.

Mr. Barry Lingard, managing director of W. H. Smith's Do-It-All organisation, said yesterday that the planned merger made perfect sense. "This merger should make them a force to be reckoned with in the furniture and DIY trade," he said.

He said it would mean a shake-out in the furniture and DIY field. "The same thing is now happening in DIY as happened in superstores in 1972-73. The bigger stores are emerging as the best. Hopefully, the majors will come out better than ever after the shake-out," he said.

W. H. Smith has a small interest in the MFI-Status move. Three weeks ago, a W. H. Smith outlet in Willenhall began a concession arrangement for the sale of Status kitchen furniture products. The plan was to start with one store and possibly expand the programme to all 18 W. H. Smith operations.

W. H. Smith is just one of a number of groups with a growing interest in Britain's DIY market. Comet Radiovision recently entered it and other more established companies such as Home Charm and Marley have been watching the market carefully.

MFI had around 5 per cent of the UK furniture market total for 1978, which came to £1.5bn including VAT. Status had slightly less.

Nevertheless, the power of the two companies may be sizeable enough to warrant further attention.

Mr. Edward Healey, the president of Status Discount, said: "We think it is a super deal. We are both fairly large companies, but our combined market share is still less than 10 per cent."

The goal of the two companies is to have about 100 outlets of 25,000 sq ft or more by year end. These "superstores" will provide car parking facilities and will be located mostly on the edge of towns —a tendency which poses a growing threat to the smaller independent High Street operators.

Together, MFI and Status could be a formidable unit. Among the advantages of the merger will be sharply increased cost effectiveness in advertising, and the benefits of interchanging product lines.

Another benefit will be that while Status operates predominantly in the north of England, MFI is strong in the Midlands, the south of England and in Scotland.

MFI planners must have foreseen increasing competition in their sector during the next year. A recession is never any fun and it is far better to have a potential competitor under your wing than outside fighting.

As a defensive move on the chess board of British retailing, MFI's move is a wise one.

# Banks refuse to improve wage offer

BY NICK GARNETT, LABOUR STAFF

THE ENGLISH clearing banks yesterday refused to improve their 17 per cent pay offer to clerical staff.

In negotiations with the Banking, Insurance and Finance Union and the staff associations operating in three of the five banks, employers said it was a fair and realistic offer and there was no justification for going beyond it. The same offer was made to the Association of Scientific, Technical and Managerial Staff at the Midland.

Representatives of the Federation of Bank Employers made it clear that this was as far as they were prepared to go. However, they stopped short of saying it was the final offer. A further negotiating meeting has been fixed for next week.

Mr. Leif Mills, general secretary of the Banking, Insurance and Finance Union, said it would be looking for an improved offer. He said: "The banks can afford it—so it is up to them.

Some staff have submitted claims of more than 30 per cent. Varying types of differential elements are included in other claims. Negotiations point to the high level of bank profits and the underlying rate of wage rises.

They also argue that the offer is low in relation to some insurance company settlements this year which have been above 20 per cent.

The employers would obviously make improvements to that offer if they were forced to through industrial action but there is considerable resistance from bank managements to moving above existing proposals.

The existing 3½ per cent Christmas bonus would continue as well as bank profit sharing schemes. These were worth about 5 per cent of salaries last year but some estimates put the figure at about 7 per cent of those old salaries for this year.

# THE WEEK IN THE MARKETS

## Paralysis before Budget

### LONDON

ONLOOKER

WITHOUT VERY much in the way of selling pressure, the equity market has drifted gently downwards over the last week. *The weakness on Wall Street* in the wake of the Carter package and still higher prime lending rates *in the U.S. have* been a depressant, and institutional demand in London seems to have dried up, at least until the Budget.

Gilt-edged have more or less held their own in very thin trading. On Thursday the *market had the long-awaited* monetary control Green Paper to chew over, but the only *monetary policy* change that seems likely to take place in the near future is the removal of the corset controls. In gilts, as in equities, the approach of the Budget is paralysing activity.

Tube Investments has shown the virtue of flying warning signals at the first hint that trading conditions have deteriorated badly. The market has known for some time that TI, the second largest engineering *group in the UK, had lost about* £20m as a result of the engineering strike at the end of last summer and had incurred an earlier sizeable deficit during the transport dispute.

So, it came as no particular surprise to learn during the *week that TI's profits for 1979* fell by £27.8m to £52.2m before tax. Judging by the decision to lift the total dividend from 23.396p net to 25.5p per share and to ignore the implications of a mere £12.8m profit after adjusting for current costs *along Hyde guidelines, TI* clearly sees considerable recovery potential this year.

Yet any upturn must be clawed back in a particularly *difficult business environment.* The cost of borrowing, which increased interest payments in 1979 from £7.3m to £13.5m on short-term funds, shows no immediate sign of easing and the battle to win markets overseas must remain an uphill *struggle at current parities.*

At least the steel strike has not posed any insurmountable problems as yet and TI expects to get its Raleigh bicycles operation back *on course this year* after a £14.6m downturn in 1979 to a loss of £6.2m. Like Raleigh the 58 per cent owned British Aluminium subsidiary is facing tough international competition and defied earlier predictions of a second half improvement to finish *£4.47m down at £20.63m.*

But the steel tube and steel activities took the worst buffeting with an almost halved trading profit contribution of *£11.8m while specialised engineering fell from £17.1m to £11.7m. TI, however, has often* made the point that its capital goods and engineering related businesses *are balanced by a* consumer products division which, in very general terms, runs on a contrasting trade cycle. Domestic appliance profits, for example, climbed by £6.3m to £15.3m before tax and interest.

### . . . and sudden shocks

The TI share price weathered the shortfall quite easily and was actually strengthening *towards the end of the week* but the market was in for some unpleasant surprises elsewhere *in the engineering sector.*

In theory, engineering share prices have been braced for the announcement of heavy losses and missed dividends. In practice, the sector's weakness over the past half year has possibly not been sufficiently *pronounced. The shock of a* massive deficit at Stone-Platt Industries is analysed elsewhere on this page. Weir Group, also, suffered a severe second half loss: profits for 1979 slumped from £7.6m to £2.1m and the final dividend was passed.

Falling demand, national strikes, swingeing interest charges and a difficult export market were *all to blame.* The cash outflow last year amounted to a massive £20m—the group is capitalised at around £9½m—and gearing soared to 106 per *cent.*

Two of the foundries are to be closed and the valve manufacturing interests are to be sold. Like TI, Weir might claim that a recovery is very possible this year in the absence of labour disputes, both internal *and external, but debt servicing* costs will be very onerous and the currency factor is again working to Weir's acute disadvantage.

*The desalination plant* contracting division has run out of work and will do well to obtain many new orders given that Japanese competition, for example, is undercutting prices by at least 30 per cent.

The interim collapse at Stothert and *Pitt* was also most unexpected. The halftime dividend has been passed "and the question of a final must await results for the full year." Sales *fell by 28 per cent in the first* 28 weeks in the absence of large crane orders and the group suffered a £930,000 loss, although the board is looking for a "*progressive recovery" over the next* 18 months.

Before the results were known both Weir and Stothert were offering an historic yield of around 15 per cent which, in the context of a sector return of about 8.4 per cent, might have been considered sufficiently conscious of the risks involved. In both cases, however, share prices reacted swiftly to these sudden shocks.

### BTR battles on

In spite of the long catalogue of ills that have beset industry over the past year, BTR shows no sign of faltering. And if the plastic *mouldings, valves and* rubber belting group wanted any ammunition should it wish to *attack Bestobell again this* summer, its results for 1979 provide a ready supply of *bullets.*

Profits climbed from £40.1m *to £57.2m despite the £4m cost* of strikes during the year and the £2m adverse effect of *currency movements. On the other* side of the coin, strike losses were matched by the first-time contributions from companies acquired in 1978 while interest cost savings from the rights issue that year were worth a similar sum.

*The balance-sheet shows only* 20 per cent indebtedness, which leaves BTR free to explore new acquisition avenues. A dividend of 10p had, incidentally, been forecast at the time of the Bestobell bid but the total distribution has actually been *raised to 11.5p per share net.*

It will be interesting to discover how Bestobell has been performing when it reports next week.

### Dry run

*Unwelcome* takeover bids concentrate the mind wonderfully, especially when it comes to producing profit figures. C. T. Bowring beat market *forecasts by around £3m on* Thursday when it announced 1979 pre-tax profits of £38.5m, which was £0.1m up on 1978. Turnover was up to £1.35bn *from £1.28bn, and the dividend* boosted 79 per cent to 6p. In a preliminary statement amounting to a dry-run defence document against the £200m trans*atlantic bid by Marsh and* McLennan, Bowring showed usefully higher asset values, and proclaimed "a future viewed with confidence." Help*ing Bowring's profits was the* performance of banking subsidiary Singer and Friedlander, with profits up from £2.8m to £4m.

Insurance broking profits were marginally down at £20.7m, against 1978's £21.3m. Underwriting improved from £4.6m to £6.7m, with a good year from Crusader Insurance. Useful income was earned by *investment arising from broking* activities. Bowmaker, the credit finance and engineering subsidiary, dropped back from £12.5m to £10.4m profits owing to higher borrowings costs.

Trading companies perked up from £1.2m to £1.3m, while shipping turned round to break even from an effective 1978 loss of £1.3m, stripping out ship sale profits.

With a Trade Department *statement on a Monopolies* Commission reference possible this week, the market remains understandably nervous until the bid outcome is clearer. Bowring says it had no net benefit in the year from the injection of Marsh business, owing *to higher expenses.*

But in the current year it should feel the benefits of the first time renewal season on the additional Marsh business. With *that in mind, analysts are* cautiously looking for profits of around £42.5m.

Such are the swings and roundabouts of the oil business that one stroke of luck can catapult a group from relative obscurity into the ranks of the top *100 UK* companies judged by annual turnover. This happy fate has befallen both Ultramar, which found gas in Indonesia when it was search*ing for oil,* and Tricentrol, which has a 10 per cent stake in the Thistle field.

Both companies have reported at least doubled pre-tax profits for *1979. Tricentrol's surplus* rose from £8m to £21.3m while at Ultramar the increase was from £37.7m to *£75.4m.* As a mark of their abundant cash flow, both groups have begun paying cash dividends.

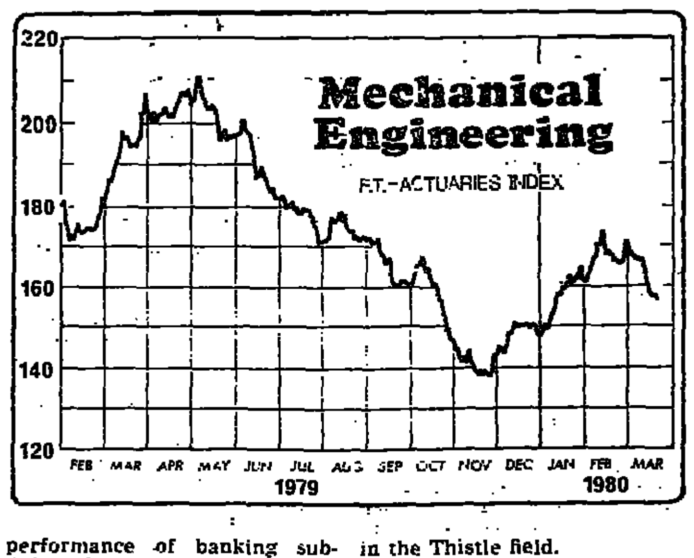
The significance of Thistle for Tricentrol is far greater than that of Indonesian LNG for Ultramar. North Sea earnings accounted for almost two thirds of the former's profits *while Indonesia provided one* third of Ultramar's net income.

The gas find has, however, helped to tide *Ultramar over a* period in which its Canadian earnings were being penalised by the very poor capacity use of its Quebec refinery.

*The main question* now is what these companies will do with their new-found wealth.

Ultramar *is* attempting to strengthen its position as an integrated oil company. It is doubling capacity in Indonesia and plans to increase its North Sea *presence, but also has long* term plans to instal a cracker at its Quebec refinery. In addition, it has spent $54m on Canadian Fuel Marketers which *has rationalised its downstream* activities.

Whereas LASMO and Ultramar are keeping their eggs in the resources basket, Tricentrol is moving to provide a hedge against possible difficulties in the fuel business 20 years hence. *It has identified three* areas of diversification and recently made a purchase in each. The three acquisitions have cost slightly over £10m. In *the context of Thistle revenues,* that's a drop in the ocean.

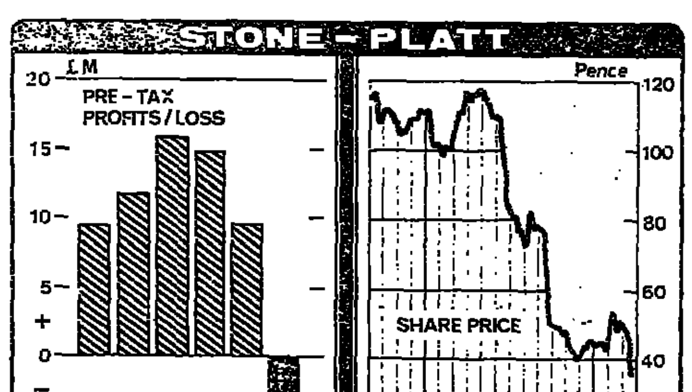



## MARKET HIGHLIGHTS OF THE WEEK

| | Price Y'day | Change on Week | 1979/80 High | 1979/80 Low | |
|---|---|---|---|---|---|
| F.T. Ind. Ord. Index | 429.9 | −10.0 | 558.6 | 406.3 | Caution ahead of Budget |
| F.T. Gold Mines Index | 306.4 | +19.9 | 377.9 | 129.9 | Gold price recovery |
| Treasury Variable 1983 | £93[illegible] | + 1½ | £95 | £90⅛ | Yield attractions |
| Automotive Products | 70 | +12 | 108½ | 57 | New transmission development |
| Channel Tunnel | 200 | +65 | 200 | 54 | Private capital bid for project |
| Guthrie | 805 | +40 | 900 | 320 | Revived bid speculation |
| Intl. Thomson | 384 | −60 | 500 | 268 | Piper Field production cuts |
| North Kalgurli | 56 | + 9 | 80 | 7½ | Gold price recovery |
| Pacific Copper | 205xr | +49 | 227 | 42 | Steadier trend in metal prices |
| Pressac | 37 | − 9 | 68 | 33 | Halved interim profits |
| Reckitt & Colman | 180 | −16 | 263 | 180 | Awaiting Tuesday's results |
| Siebens (UK) | 525 | −55 | 930 | 190 | Awaiting N. Sea drilling report |
| Stone-Platt | 37 | − 7½ | 118 | 36 | Div. omission and £2.9m loss |
| Stothert & Pitt | 88 | −18 | 223 | 85 | No int. div./first-half loss |
| Tavener Rutledge | 20 | − 6 | 68 | 14 | Confectionery shares wilt |
| Tomatin Distillers | 182 | −12 | 210 | 129 | Disappointing results |
| Union Corp. | 600 | +40 | 735 | 255 | Vote to accept Gen. Mining bid |
| Watmoughs | 130 | −15 | 147 | 76½ | Proposed £1.3m rights issue |
| Weeks Petroleum | 360 | +10 | 430 | 110 | Louisiana oil find |
| Weir | 37 | −18 | 122 | 37 | Div. omission/profits setback |

## When luck runs out

BY MARTIN TAYLOR




IN THE FACE of worldwide recession in two of its major markets, textile machinery and marine equipment, Stone-Platt's ability to keep its head above *water in recent years has been* nothing less than remarkable. The company's plunge into loss *in 1979, then, is especially sad,* and extremely worrying for UK manufacturing industry as a whole.

Already in late 1978, Stone-Platt's reputation for producing profits against all the odds was leading the City to be decidedly *over-optimistic about its* prospects. The company took the unusual step of deflating expectations by coming out with a low profit forecast months before its figures were published. The 1979 interim figures showed more trouble: Platt Saco Lowell's Lancashire textile machinery business had suddenly moved into loss, and as a result the *group* as a whole was barely profitable.

But it seemed at the time as *though this might* be an exceptional problem, resulting from the failure of one major contract which would have been worth £30m in Saudi Arabia, and Stone-Platt felt able to say that it intended to maintain its dividend provided the engineer*ing strike was not too damaging.*

In the event, as other companies' results have shown this week — Tube *Investments* not least — that strike was exceedingly costly. On top of the continuing weakness in demand, Stone-Platt has been faced with the problem of exporting on the back of a steadily rising pound. As there *is too much international* capacity in textile machinery, its profit margins have been cut to *shreds. Lower cash flow has* forced the group into higher borrowings, and its interest charge has nearly doubled. The strikes have been the last straw.

The engineering dispute did not just hit Stone-Platt's textile machinery business. The pumps division saw profits fall by more than 40 per cent, and *the electrical side made no* money at all in the UK. Despite a 30 per cent advance in profits of the overseas *subsidiaries* to £8m at the trading level, the group as a whole moved from a pre-tax profit of £9.5m in 1978 to a loss of £2.9m. There was then a £2.6m tax charge on the overseas profits, and by the time Stone-Platt had taken an exchange book loss on its overseas assets, written off the goodwill on two American acquisitions, and provided £7½m to cover the cost of closing its Oldham plant and reorganising the business elsewhere, a loss of £17.5m was charged to reserves.

Luckily, the group's balance sheet was in good shape at the *beginning of 1979. Debt now* stands at 60 per cent of equity, and is rising: this year the main concern will be to limit the further damage to Stone-Platt's finances, while it tries to reduce the British businesses to a profitable core. At the moment all the textile machinery plants are on short time, and the closure at Oldham is proving unusually acrimonious — workers who were striking for two months *last summer are now occupying* their factory and calling for the board to be lynched.

The *market* capitalisation, following the passing of the final dividend, has shrunk to £14½m, only about a quarter of the company's tangible net worth. This leaves the group horribly vulnerable to the sort of bidder who would want to close down the problem areas and keep the strong businesses —many of them in America. Stone-Platt deserves a *better* fate than this.

## Looking across the new Great Divide

### NEW YORK

DAVID LASCELLES

THE GREAT DIVIDE, geographically speaking, is the ribbon of mountains stretching *from New Mexico to Montana,* dividing the United States into the west and the rest.

This week in the U.S. financial community another Great Divide has arisen: the contrast is between the perception of President Carter's *economic policy* inside the U.S. and the perception of that policy elsewhere in the *financial world.*

The result of the divide is a strong dollar, generally weakening commodity prices in the last few weeks on one side, and tumbling bond and equity markets on the other.

That contrast, which has held good for the last month, has become particularly sharp in the last week with the focus given on the administration's economic approach provided by *Mr. Carter's latest attempt to* tighten the screws on an 18 per cent inflation rate.

The stock market reacted strongly, wiping 23.04 points off the Dow Jones industrial average on the first trading day after the package was announced *and continuing in a generally* downward direction thereafter.

The U.S. bond markets meanwhile, although sensing a touch of encouragement from the new attack on inflation, have tiptoed through the week in thin trading with little net effect on *prices or interest rates, with the* sole exception of short interest rates, which are down about half a point on the week, although even here there has been the compensating worry that the big banks again lifted their prime rates to a new record of 19 per cent.

Journalists, happily, are not called upon to pass judgment on which side is right, although President Carter must be wishing *the electorate was composed* of non-Americans. Economists are called upon to pass judgment and here is the unhesitating conclusion of Mr. Lawrence *Kudlow, chief economist of the* Bear Stearns securities house.

His latest newsletter ends: "There will be no anti-inflation U-turn this election year *because the political forces will* not allow it. U.S. attitudes are changing, and if some home market players do not yet realise it, the overseas markets are right on target. This is a turning point situation.

"Both the break in commodities and the rise in the dollar have been established. And now that the background has been set, the break in interest rates is imminent, hence the discrepancy will be resolved."

Before discussing this view it is important to point out that the whole idea of the Great Divide could be somewhat bogus. For a start, no one can be sure whether the undoubted pessimism about stocks is based *on fear about inflation* continuing to rage higher or on fear that the U.S. economy will be kicked by the Persident's latest measures into a recession of a severity the market had not bargained for.

The consensus is that fears *of inflation and higher interest* rates are the key to sentiment, but the caveat still stands to some degree.

As for the strength of the *dollar, could that be bogus too?* Again, the answer is, possibly. With U.S. interest rates now echoing around the 20 per cent mark, the dollar is a good currency to be buying, the buying pressure may be contributing more to its recent strength than *any underpinning confidence* about the President's economic policy. Again, the consensus is otherwise, but the caveat is worth noting.

As for *commodities, gold,* the most watched, is a fickle creature. It looks like ending this week higher than it began.

These points merely add to the uncertainty of the background against which Mr. Kudlow is drawing his very sharp *conclusion, rather than* overturning it. But the point is that the uncertainty is legitimate and as everyone knows the markets abhor uncertainty. That *abhorrence is this week's drop* in the Dow.

So the big question is—when will the uncertainty end? The problem here is that the American people, like the British people, do not believe their politicians. They were instantly *sceptical that Congress would* prove as "inspiring" as the President claimed in supporting his *expenditure cuts.*

They find it hard to understand that inflation is coming under control when they see interest rates still climbing. They also wonder whether the increasing tendency to lock inflation into indexed pay *settlements might* with other similar factors, thwart even a united congress and president.

*They may be wrong. The problem* is that there is nothing on the near horizon which looks solid enough to convince them that they are wrong. The President is still talking about carrying out his trenchant spending cuts and sweeping credit con*trols without producing more* than a half per centage point drop in GNP this year.

In other words, he wants to give the impression of shock treatment without shocking the economy into a severe recession. It may be that Wall Street will *only start to feel more* confident about share prices when it can actually see falling interest rates. Mr. Kudlow may be optimistic that that point is fast approaching. A lot of other Wall Street economists take the opposite view.

Not *surprisingly* share analysts themselves remain deeply divided about where the market goes next. Some put their faith in the fact that the market has not breached the theoretical support level of 780 for almost two years. Some take the view that since mid-February we have been a free falling market which will not stabilise until the autumn. Others think the market is sold *out and ripe to come back at* least for a few weeks.

These are the smaller divides on Wall Street, but it is the resolution of the big ones which *will make more difference in* the long run.

| | | |
|---|---|---|
| Monday | 788.65 | −23.04 |
| Tuesday | 801.62 | +12.97 |
| Wednesday | 800.94 | − 0.68 |
| Thursday | 789.08 | −11.86 |

# FINANCE AND THE FAMILY

## Value of shares and CGT

BY OUR LEGAL STAFF

**I hold ordinary shares in company X for which a receiver and manager was appointed in 1976. Following a winding up order a meeting was held last December, at which it was stated by the Official Receiver that there would be no return to shareholders. I have asked my tax inspector more than once for the shares to be declared of negligible value, but each time the request has been refused as "the shares are not listed in the EXTEL publication or monthly supplement." I have to sell some shares on which I shall make a taxable gain, regardless of my obvious loss on the X shares. What can I do?**

You could write to the tax office along the following lines, marking your letter for the attention of the District Inspector:

"On the basis of the evidence already submitted to you, I confirm my claim that the value of my holding of . . . ordinary shares in company X has become negligible. I therefore require you to treat that shareholding as having been sold and immediately re-acquire for a consideration of one new penny in accordance with section 22(2) of the Capital Gains Tax Act 1979. If, by chance, you still refuse to allow my claim within seven days of the delivery of this letter, please set my appeal down for consideration by the Special Commissioners before April."

## Proprietary estoppel

**I was most interested to real about garages and gutters (February 2, 1980), and should like your advice on how to oblige a neighbour in similar circumstances.**

**My neighbour wishes to put a covered way on his side of his wall but put a gutter on my side of his wall to drain the roof of the proposed covered way. I do not wish to deny the neighbour's request, or deny him access, if necessary, to fit the gutter, but I do not wish to create a legal precedent for myself or future owners of the property with regard to the gutter. Can you please give some guidance?**

Your better course here is to give to your neighbour express written permission to instal the gutter on terms that he undertakes to remove it on your giving him (say) three months' notice in writing to do so. Even so, it is unwise to allow the gutter to remain in place for more than 40 years without a fresh agreement being entered into.

## Tax on Irish dividend

**I refer to your replies to queries on Tax on Irish Dividends (February 16 and 23). I too hold Allied Irish, but I have not claimed for relief in the way you suggest for over a dozen years. Is it possible to claim tax relief for past years and how would one set about it?**

You should ask the Foreign Dividends Office for claim forms for the past six years (and submit the completed forms well before Good Friday, April 4).

It is not clear from your letter whether your UK tax liabilities need amending (increasing) in respect of the Irish dividends, but this point should be dealt with automatically when you submit the Irish claim forms (and tax vouchers) to your UK tax inspector for counter-signature.

## Copy of a signature

**Some years ago my mother divorced my father. Prior to this, the certificate to her shareholding in a UK quoted company was deposited at my father's London bank for safe keeping. The certificate was released to my father in 1978, and the shares sold. The company registrar originally refused to register the transfer as my father had signed it. The transfer was finally accepted with a "copy" of my mother's signature. On legal advice my mother wrote to the bank, stockbrokers and the company registrar, pointing out the situation. The company asked for time to investigate the situation. Three months later, they have replied that they propose to take no action, and that the broker should be contacted. What further action should my mother take?**

Your mother should contact the company's registrar and require that she be reinstated on the register of members. The "transfer" was not a valid document unless your mother had authorised your father to present it for registration, and the company would have no defence to her claim to be reinstated on the register of members. It must however be borne in mind that to ventilate this matter involves relying on the "transfers" being a forgery, with the attendant responsibility for a serious criminal offence being charged to the person who presented the document for registration.

*No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.*

## Foreign shares and probate

**I hold shares in overseas companies, some in good names and some in my name. I presume it would not be necessary in the event of death to get probate abroad for the former, but what about the latter? What is the procedure?**

If you die domiciled in England probate will be necessary for all your shareholdings. Your executor or administrators (if you have no will or have not appointed executors) will obtain the necessary order in the usual way.

## Rent Act decisions

**A Rent Acts precedent**
**Could you tell me if there is a precedent for the proposition that a licence agreement for the use of property by an individual or a married couple is exempt from the Rent Acts?**

There is a precedent: Somma v. Hazelhurst [1978] 2 All E.R.1011 but beware of the contrary decision reported on page 1002: Walsh v. Griffith-Jones.

## Cavern under sea wall

**My house is built on the harbour shore, with a stout sea-defence wall at the bottom of my garden. A few weeks ago I discovered a deep hole next to my boundary fence with my neighbour, and some 8 ft behind my sea wall. Peering down the hole, I could see that an enormous cavern running under my neighbour's terrace had been scoured by the sea.**

**Civil engineering contractors advise me that my own sea-wall is in excellent condition, but the subsidence and erosion is being caused by my neighbour's failue to maintain his sea-wall in good repair. Any steps I might take to reinforce my bountry wall with concrete will be of little use, as this will sink when sea action scours the material beneath the concrete. Indeed, my neighbour has aggravated the erosion by piling large stones against his sea-wall (and even trespassed on some 6 ft of my wall) on the seashore; and these stones have produced a syphoning action accentuating the scouring.**

**Is there any way of requiring my neighbour to repair his sea-wall? What happens if a child falls down the hole (which has been filled but will re-appear) and is injured or killed?**

If there is no obligation to repair shown on your title deeds it will be well-nigh impossible to find a remedy. If it can be shown that some positive act of your neighbour's (e.g. the piling of stones) both caused the subsidence and was negligent, you might have a claim against him: but proof of these matters is likely to be very difficult, and the burden of proving them would die on you. If there has been a history of the frontagers repairing their sea-walls at the request of other frontagers over a period of more than 20 years you might establish a claim based on a quasi-easement (or even custom if it goes back to the Middle Ages) of a right to call for the repair of your neighbour's wall. Otherwise the liability for any accident would be yours.

## Change in VAT rate

**In the spring of last year, I contracted with the British Gas Corporation to switch my house to gas central heating, and paid a deposit. At this time, VAT was 8 per cent. They did not complete their installation until after the VAT rate had been raised to 15 per cent, and are charging me at this rate. I understood that contracts formally entered into before the charge of rate, would be charged at the rate prevailing when they were struck. Would you please advise?**

The rule in relation to a change in the rate of VAT is that unless a contract provides for no increase in the price after an increase in VAT, then any higher VAT charge can be passed on to the person who is receiving the goods or services.

Under the general rules, VAT is chargeable according to the rate in force at the date the supply of goods or services is made. If a person makes a payment before a VAT invoice is issued, the date of supply is treated as the date the payment is received. It is therefore correct that the deposit which you paid will bear VAT at the 8 per cent rate. The Finance (No. 2) Act 1979 which brought in the higher rate of VAT provided in section 1 subsection 4 that where a supply was in fact made partly before and partly after June 18, the supplier may choose to account to the Customs and Excise for VAT at the lower rate in respect of the supplies made before June 18. This is a right of the supplier, not the customer.

We suggest that you write to the British Gas Corporation pointing out this rule to them and asking what was the value of the goods and services provided to you before June 18, as compared with those after. You should ask them to confirm that the lower rate of VAT will apply to the supplies made before June 18. It is no advantage to them to charge you an excessive amount of VAT because whatever they charge has to be accounted by them to the Customs and Excise. If their customer is unable to recover the VAT charged he will obviously be interested in paying the minimum amount necessary.



## Confusion and apprehension

MINING

PAUL CHEESERIGHT

Trading conditions have been very difficult, said a London broker. And there would be few who would disagree with such a cautious verdict on the performance of the London mining share markets this week. For some, though, the markets have been like a casino. For others they have shown a welcome degree of realism—a return to sanity.

South African and Australian shares have moved in tandem, as prices have sought to establish new trading ranges in the aftermath of President Carter's latest anti-inflation package. The markets were nervous before the package, and prices sank. Afterwards they remained apprehensive and volatile.

The Gold Mines Index, for example, fell back as bullion closed beneath $500 an ounce for the first time this year, but then in the middle of the week staged its biggest one day rise for nearly five years. Further gains on Thursday were followed by falls yesterday when the Index was 306.4, up 19.9 on the week.

Both markets have followed metal prices, which have been pinned back by high interest rates. The rise of gold in the middle of the week is seen as an inevitable market reaction to earlier sharp falls, but there are many who think the decline in the bullion price has not yet finished and that sooner rather than later it will be looking for a trading range between $400 and $425.

Such views have played a part in making investors very guarded about new commitments to the share market, although it is conceded that yields remain very attractive. Certainly the volume of trading on both the Australian and South African markets has been reduced.

Indeed the very thinness of the market has contributed to the voltality of the price movements. Jobbers, it is said, have been reluctant to trade large parcels of stock and have been quoting a wide margin in their prices. Thus a relatively small transaction has had a telling effect on prices.

What will happen next on the markets is very uncertain. Any move by the Australian financial institutions back into the market could push prices forward again in Sydney and Melbourne. But gold shares are simply following the bullion price, and while technical reasons can be adduced for a fall in gold to about $400, it is freely conceded that a sudden change, in, say, the Middle East or Afghanistan could send the price soaring again.

Such a move, however, would not necessarily be welcomed by the mines. They want high prices, of course. But they do not want violent movements because this frightens the jewellery manufacturers away from the market.

The manufacturers have been absent since the early part of the year, but they could return if the bullion price holds steady at the present lower levels. This would have the effect of giving the market back its traditional basis. The jewellery trade usually absorbs about two thirds of newly mined gold.

But who is or is not active in the market makes little difference to the mines, at this stage. Even when the bullion price was bumping along under $500 an ounce, the market level was still much higher than the projections the mines have been using for their long-term plans.

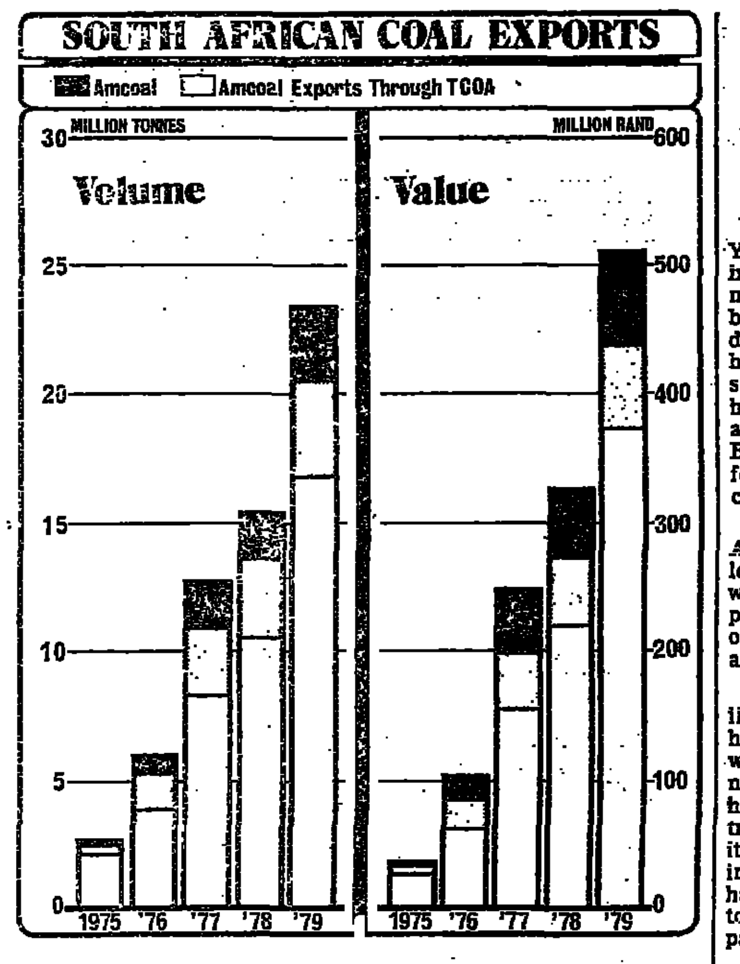
No mine has been considering expansion on the basis of prices seen this year, industry executives noted. It is doubtful whether any mines have been doing their forward planning on the basis of prices higher than $400.

And, as if to emphsise the point, East Rand Proprietary and Durban Roodepoort Deep of the Barlow Rand group both announced higher capital spending plans. The two are especially sensitive to the movements of the bullion price, being high cost producers with low ore grades.

At East Rand Proprietary, capital spending this year will be R18m (£10.1m), compared with R4.5m last year. At Durban Deep capital expenditure in 1980 will be R8.7m, rising to nearly R14m in 1981, compared with R3.1m in 1979.

But both mines have estimated that if the gold price this year averages $373 an ounce and increases after that at a rate equalling rises in working costs, then they will be profitable for some years to come.

Their spending plans are small set against the development programme for bigger operations both in gold and other sectors of the South African mining industry. Amcoal, the nation's largest coal producer and part of Anglo American Corporation, said this week that at the end of 1979 it had capital spending plans of R371m (£208.7m) against R124m at the end of 1978.




New collieries have been coming on stream and Amcoal's production has been rising sharply. Last year it was 33m tonnes after 26.7m tonnes in 1978. Exports, both on the group's own account and through the Transvaal Coal Owners' Association rose to 6.7m tonnes, or 20 per cent of total production, from 4.9m tonnes in 1978.

Higher demand for coal, as a substitute for oil, has allowed the South African industry to boost sales. This has been accompanied by higher prices, although much of the gain from these has been wiped out by escalating freight charges.

This year Amcoal expects export prices for steaming coal to firm further and for this to drag up the price for metallurgical coal used in the international steel industry. In fact, worldwide, coal exporters are expecting a better year.

The U.S. industry, whose exports sagged in 1978 and recovered again last year, has been attracting fresh orders from countries like France and Spain. National production for all purposes, which spurted in the last quarter of 1979 to reach a total for the year of 700m tonnes, is expected in 1980 to climb to 725m tonnes.

The capacity is available for production to increase more quickly than this. The National Coal Association in Washington said that unused capacity is still about 90m tonnes. Demand has lagged behind industry expectation. At the same time laws to and partly because new laws to control mining have made operations more costly for small producers in the East.

## If you give your boy a gun . . .

INSURANCE

JOHN PHILIP

YEARS AGO, I remember dealing with a claim between two neighbours. They had lived side by side for many years, and undoubtedly were good neighbours. In a summer storm a substantial part of one of A's trees had crashed down into B's drive and caused a deal of damage to B's car, which was insured only for third party, fire and theft cover.

Only a few weeks previously A had his trees examined by a local expert, because he was worried about their size and age, proximity to the houses and so on. The expert had given them a clean bill of health.

A put in a claim under the liability section of his household policy. Not only did he want to help his uninsured neighbour—when I talked to him he felt that as it was his tree that had done the damage, it was his fault, and that his insurers should pay on his behalf. He even went so far as to say that if insurers did not pay, he would.

He was not pleased with my explanation that insurers protected him only against his legal liability to pay compensation for injury and damage, and that in the particular circumstances, as he had so recently employed an expert, he could not in any way be to blame.

My suggestion, that if there was any legal fault at all, then perhaps the expert was culpable for failing to realise the tree was defective, was met with the further argument "But I employed him."

This took us deeper into the intricacies of liability law, and my explanation that the principle is not liable vicariously for the fault of his independent expert was received with outright scepticism.

Clearly in A's view, I was just another insurance man sent along to tell the tale, in an attempt to turn down a legitimate claim.

I saw neighbour B later. He was much more appreciative of the legal aspects of the problem and of the nature of the cover that A had. He did not intend to let the incident sour long standing friendship. So the claim was withdrawn and I do not know whether B ever sought redress from the tree expert.

I was reminded of this incident this week when talking with a friend about cover and liability for children. Here again there is often a vast difference between moral responsibility and legal liability, and here again even under the widest ranging modern form of home insurance, insurers cover only legal liability.

Taking the law first, the parent is not automatically, vicariously, liable for his child's negligent acts or omissions. If the child, while riding a bicycle, knocks someone over, he can be legally liable — as with any traffic accident it all depends on the circumstances.

But because the child is liable, on that account alone the parent does not have to bail him out. Generally speaking the only way the victim can get at the parent is by showing that the parent has been guilty of *lack of supervision* — because he has let his child out on the cycle without proper training, without proper instruction.

For obvious reasons, the nearer the child approaches to adulthood, the less legal ice does the lack of supervision argument cut.

However, cycling is one thing and, for example, firing an air rifle is another, and the parent may well be liable for lack of supervision if he gives his 17-year-old son a gun for his birthday and lets him, so to speak, loose without ensuring that he knows well how to use it and understands where and when he should and should not use it. So the more hazardous the child's pastime, the greater the parental duty of supervision.

Most modern home insurances normally protect both the policyholder and members of his family living with him—not only in respect of liabilities arising in or about the home but elsewhere.

Because members of the family are now usually covered, the old problem—Is the parent liable for lack of supervision?—is not so important, for if the child has done wrong, then insurers will pick up his legal liability bill—provided that the incident giving rise to that liability is one within the scope of the policy.

In any liability policy there are exclusions: these need to be read carefully. For example, the one which protects insurers from claims for injury or damage arising out of the "ownership, possession or use of any mechanically propelled vehicle (other than pedestrian controlled gardening implements), caravans, aircraft, watercraft or livestock other than domestic animals."

Exclusions vary. Taking the one I have quoted, the words "aircraft" and "watercraft" are unqualified, so liability from the use of model craft is excluded just as much as it is from full-sized craft, a point to watch if your child is a model aircraft enthusiast.

Of course policy wordings are not uniform—some home policies may not cover all the family all of the time. If your child is not himself covered then a victim may be forced to try the supervision argument against the parent.

So if any of the family are to engage in hazardous sports or pastimes and there is doubt on liability cover, insurers should be consulted at the outset to make certain the insurance is there.

# YOUR SAVINGS AND INVESTMENTS

**Eric Short** looks at the latest tax-efficient life insurance savings plan

## *Happy returns at a net 15.2%*

A RETURN of 15.2 per cent net of all taxes is being offered on a life policy launched this week. And surprisingly, it is not a short-term income bond, but a 10 year life insurance contract linked to building society investment.

With such an offer—which is better than the projected return on the best 10 year with-profit plans—the potential investor may understandably suspect that this is yet another sophisticated tax avoidance plan designed to take advantage of the life insurance tax relief rules.

The complete opposite is in fact the case. For the Building Society Savings Plan, lanched this week by the Family Assurance Society, a member of the Planned Savings Group, uses the tax benefits allowed to life insurance and friendly societies in the manner for which they were intended. The result is a highly attractive yield.

The Family Assurance Society is a registered friendly society and as such does not pay tax on its investment income. In return it is subject to certain well defined restrictions. For example, only married men and women with children can participate and the maximum monthly contribution is only £10 a month. The plan itself follows the format of all building society linked life plans in that the premiums, after a deduction for expenses and life cover, are invested in a building society account. The major difference is that unlike the investors, who have to receive their income net of basic rate tax, Family Assurance can reclaim the tax paid for the benefit of investors.

Together with the life insurance tax credit which is also available on friendly society policies, the combination is a winner.

There are several other differences between the Family Assurance plan and the normal building society linked contracts. Family Assurance has not linked up with any particular building society. Investment is made in various building societies, so Family Assurance can shop around for the best return. At present it is getting 11½ per cent which with tax reclaimed is a gross return of 16.4 per cent.

Secondly, the expenses on this plan are much higher than with other contracts. Mr. Bob Morrison, chairman of Planned Savings Group, makes no bones about the fact that he intends to market this plan aggressively and pay a lump sum commission to agents. No commission is paid on other plans, a factor which according to Bob Morrison explains why these schemes have so far made little impact on the market. Agents will be receiving £40 for each plan sold on the maximum £10 per month net premium.

As a result only 20 per cent of the first year's premiums are invested in the building society, but 100 per cent (less a small policy charge) is invested in the second and subsequent years. Yet despite these loadings, the projected return at a rate of 9½ per cent return from the building society (13.2 per cent grossed-up) works out at £2,660 after 10 years on a £10 per month net premium for an investor under age 40.

This compares with the best projected return from the latest issue of the Planned Savings Magazine (no relation) of £2,375 from the National Mutual/Chelsea Building Society scheme.

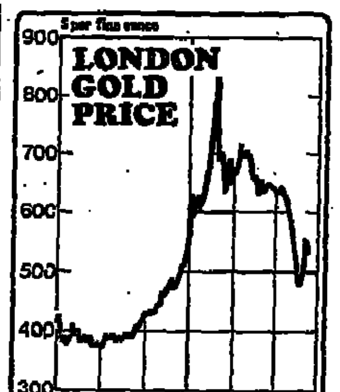
The plan will not however be the prototype for the new style maximum investment savings schemes, since there are very severe limitations imposed on friendly societies. To start with the maximum monthly premium is £10 net, since the maximum life cover which can be guaranteed is £1,000.

To explain the origin of these limits would involve discussing the history of friendly societies. Basically Family Assurance does only what is classified as "tax exempt" business unlike most friendly societies, who write other life business. Their limits are half what Family Assurance is allowed to offer, namely £5 a month. Family Assurance, although only founded in 1974, is the largest tax exempt society with 30,000 members.

Investors, meanwhile, are virtually locked in for 10 years. The maximum amount that can be paid, by regulations, on early cash-in before 10 years, is a return of the gross premiums paid (i.e., net premiums plus tax relief). The plan therefore only provides full benefits from the 10th year onwards, unlike the other building society linked plans which offer a maximum return after four years.

Finally, the plan is only available to married men and to married women providing the latter have at least one child. This rule is a throwback to the last century when friendly societies flourished and women were regarded as mere chattels of their men. A friendly society can only provide life cover if there is a dependant to receive the sum. A woman is dependent on her husband but not vice versa.

Children are dependent on a father or a mother. Hence this archaic tie up, though apparently the Equal Opportunities Commission has shown no interest. A husband and wife can incidentally each take out a separate plan for the maximum premium.




## *After the gold rush . . .*

THE SHARP fall in the gold price in recent weeks has severely shaken investor's confidence in this metal, either in the form of krugerrands and ingots, gold mining shares or gold futures. Anyone who bought near the "top" in mid January when gold hit a record $850 a fine ounce is nursing a heavy loss, even though the market has shown signs of bouncing up from the 1980 low of $479 reached on Monday this week. The question now is whether to hang on in hopes of a recovery in the price, or to sell out and accept any losses suffered.

There is a strong body of opinion that believes gold prices will go up again, especially following the South African warning this week that it will be cutting back gold sales. It is argued that the basic supply-demand position remains much the same, with plenty of buying interest for gold in the background from the oil-rich Middle East countries anxious to put their petro-dollars into something of intrinsic value.

Supporters of gold claim that the fall in the price has simply blown off the speculative froth that pushed prices up too fast and too high. The downtrend was accelerated by the severe restrictions imposed on trading on the important Chicago and New York gold futures markets in an effort—successful as it turned out—to cool the speculative gold fever.

Main sufferers from these restrictions were not the big speculators, who it was feared would "corner" available supplies, but the small investors who could not afford to pay the increased deposit margin required. The big speculators therefore are once again in a dominant position to influence the market, which is due for a technical reaction upwards in any event.

As always there is another point of view. The fundamental reason for the decline in the price of gold, other precious metals and other speculative metals and commodities, has been the strength of the dollar and high interest rates. This has greatly reduced the attraction of holding gold—even on paper—in the short term at least. The cost of borrowing money to buy gold is prohibitive, and so is the loss of interest that could be earned. Gambling on a sterile investment that earns no dividend or interest seems to make poor economic sense when a safe, guaranteed, return of between 15 to 20 per cent can be earned by simply investing in money. The volatile behaviour of gold mining shares, added to the political uncertainties of South Africa, also make them a gamble.

These short-term disadvantages, however, may not cut much ice with long-term supporters of gold, who prefer to hold something of tangible value rather than untrustworthy "paper" money.

**John Edwards**

## *And so to bed . . . with cover*

FEW PEOPLE expected a Tory Government to put up the cost of private beds within the National Health Service by 35 per cent, even though inflation is running at 20 per cent.

Yet this was the increase announced this week, sending the weekly cost of a bed in a London teaching hospital to £710 and in non-teaching provincial hospitals to £507. The Government's pledge to encourage private medicine now has a slightly hollow ring.

A substantial proportion of people using private medical facilities rely on their medical insurance policy to meet the costs. But there is no need for most of them to take any action regarding the level of cover on their contracts. The provident societies now appreciate that inflation is here to stay and have designed their schemes accordingly.

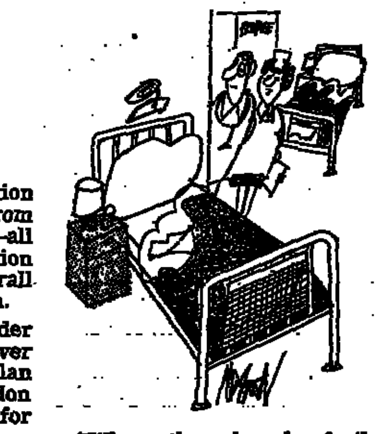
Under the new style plans—BUPAcare from the British United Provident Association and Family Masterplan from Private Patients Plan—all medical and hospitalisation costs are paid up to an overall limit pitched exremely high.

For instance, under Masterplan the annual cover limit is £20,000 for a plan designed to meet London hospital costs and £15,000 for provincial hospital costs.

The rise in paybed charges, which comes into operation next month, should not therefore leave subscribers short of cover.

But all things have to be paid for and this applies to medical insurance. These higher costs will be taken into account in the future premiums charged by BUPA and PPP.

The latter, having held premiums steady for two years anticipated that they will rise when the premiums are next reviewed in June, but not by 35 per cent. A 20 per cent increase in line with inflation is currently forecast. BUPA, meanwhile, is hoping to hold subscriptions steady at least until well into the year and no changes are likely until the autumn.



"When they heard of the increases in pay bed costs they made a miraculous recovery."

The only question for subscribers to medical insurance will be whether they can continue to afford it. But this question does not have to be answered until the next renewal, if then.

**Eric Short**

## *Stocks in the sticks*

A FINANCIAL geography of Britain through stockbroking eyes would look rather like Saul Steinberg's famous map-of-the-world cover for New Yorker magazine.

Most of the known world would be contained between the Bank of England and Liverpool Street stations. Somewhere beyond the boondocks lie Birmingham and Edinburgh, with little else separating London Wall from the North Sea.

The reality for the moment at least, is rather different. The "country," as it is called in City parlance, maintains four dealing floors, five jobbers, six exchanges, and 146 brokers.

Country brokers handle 25 per cent by volume of all UK stock exchange dealings, and place 40 per cent of that with country jobbers. The country dealing floors handle a tenth of the 24,000 bargains done on the average day last year.

The country exchanges date back to the Industrial Revolution, when their prime role was to channel local investment into local industry. The Oldham Exchange, for instance, once floated 22 cotton mills in one day.

Some exchanges—had their own dealing floors on which to trade the shares. Others, like the York-based Provincial Exchange, functioned as a centre through which local investors could place funds on other dealing floors.

The major move towards integration of country and London exchanges came in 1967, when the Federation of Stock Exchanges of Great Britain and Ireland was formed, and common procedures agreed.

In 1973, the federation resolved itself into the present United Stock Exchange, founded on two principals: single membership, with ability to trade anywhere; and London-style jobbing in place of dual capacity.

Since the heady days of railways and cotton, and more particularly since integration brought with it sophisticated communications including Talisman, which now serves eight Stock Exchange offices, the country exchanges have seen thinner pickings.

As country business falls off, jobbers are left more vulnerable than brokers. The loss of a country broker will tend to diminish the volume of business placed with the local jobber, while the loss of a country jobber will only cause local brokers to place business on other dealing floors.

The country broker has the strength of being able to concentrate research on local, smaller industries, in which he can outstrip the intelligence of his London counterpart.

While the country broker can attract business through the quality of information, the country jobber must expect to attract it through the quality of his prices. He can expect clients only where he can at least equal his metropolitan counterparts—though his local ties may give him a slight edge. Mr. Edward Greey, partner in a Birmingham stockbroker Fyshe Horton Finney says: "We would test a price in Scotland, and on our own market here, and in London. If the price was the same, we'd be inclined to deal with the local jobber."

The country jobber can rarely compete in high-volume blue chip deals. In second-line local stocks however, he is in a stronger position, and with the resurgence of interest in smaller companies, country jobbers have benefited. To this extent they may just be keeping country business out of London, rather than attracting London brokers to the country floors.

Country versus London dealing trends can only be established from hearsay, since Stock Exchange figures do not break out the volumes of individual floors. The figures quoted earlier come from a survey of members.

On the face of it, with 21 country stockbrokers already operating London offices and trading at least as readily on the London floor as in the country, the longer-term future for country jobbers must be regarded as fragile.

**Robert Cottrell**

## *Chance to cast your vote on unit charges*

**INVESTMENT**

TIM DICKSON

SMALL INVESTORS will soon get their first chance to approve (or throw out) the higher management charges which unit trust groups are now allowed to levy.

At least one unitholders' meeting is expected to be held next month when the issue will be an important item on the agenda. And others are bound to follow in quick succession, particularly if investors' initial reaction is favourable.

Until just before Christmas last year unit trusts were effectively restricted by the Department of Trade to either a 5 per cent initial levy on the sum invested and a ½ per cent annual charge or a 3½ per cent initial charge plus a ½ per cent annual fee. These controls, which had been in force for 20 years, have now been scrapped.

Several new unit trust funds have already taken advantage of the new freedoms, but it was originally anticipated that managers of existing trusts would convene unitholders' meetings in the first few weeks of the New Year to amend their trust deeds.

Progress, however, has been somewhat slower than initially hoped, largely for administrative reasons. But it is understood that between 50 and 75 supplemental deeds relating to higher management charges are now awaiting approval at the Department of Trade. The first of these, relating to a fund reorganisation, is due to be put before unitholders in April.

Changes to original unit trust deeds can only be made by drawing up a supplemental deed. And as the man from the DOT ruefully observes, "We have about 450 authorised unit trusts and the legal documentation spans a considerable period of time. It is a legal jungle since different solicitors, using their own individual styles, have been involved."

Understandably the Department has been attempting to work out a standard format to facilitate future changes to trust deeds.

The question of higher management charges, meanwhile, is an important issue for the unit trusts generally. The Unit Trust Association has been hammering away at the Government for years in an effort to remove controls but ironically, now that freedom has been granted, the industry is under a lot of pressure on other fronts.

Bad publicity in recent months has highlighted some of the poorer performing funds of the last decade, drawing attention to the risks of equity investment generally. Furthermore, new sales over the last year have been consistently disappointing, a point which was emphasised earlier this week with the announcement that February's repurchases (units cashed in) again topped new sales—this time by £2.1m.

The movement also suffered net redemptions in March and November last year but besides these months nobody can remember it happening before.

The result is that many managers are probably reluctant to approach unitholders at a time when both their capability is being questioned and new business is hard to find.

Their case, in fact, is a persuasive one. For while the initial charge of 5 per cent is probably quite high enough (and most managers seem happy to live with this) the previous annual maximum charge of ½ per cent seemed unreasonably low by contrast. Inevitably some unit trust groups concentrated too much of their energies on marketing (where the rewards are 5 per cent of new units) and too little on good investment management.

By increasing the annual charge (which is levied on the value of the fund) managers will in future have a greater incentive to boost their unit price and in the process benefit everybody. At the moment the feeling is that most groups will go for a ¾ per cent per annum levy on the fund.

This may be difficult medicine for the dissatisfied unit trust investor to swallow—hence the reluctance of the poorer performing trusts to ask for more—but unitholders would certainly be shortsighted to cast their vote on the basis of this factor alone.

## *Considering the big pay-off*

IF PENNIES, or perhaps more realistically £10,000, rains down from heaven, should you pay off part of the mortgage on your house?

The question must be raised every year in many households when a cash windfall is received unexpectedly. As the lucky beneficiary your thoughts would probably turn first to the joys of a wild spending spree or a holiday bonanza in the Bahamas—but once the initial excitement had worn off the prospect of a roof over your head which you actually own might become increasingly attractive.

With the mortgage interest rate now at a record 15 per cent (and higher in many cases where large sums are borrowed) the apparent incentive to remove or loosen the noose round your neck has never been greater.

You should however, only consider paying off a mortgage after carefully contemplating your personal circumstances. The building societies' boast that mortgages are "cheap" may well ring hollow to those barely able to afford their monthly repayments at current interest levels; but there is nonetheless more than a grain of truth in their claim.

This is principally because tax relief on the interest paid on mortgages of up to £25,000 can be claimed at the borrower's top tax rate. The result is that while the basic rate taxpayer is paying the building society £15 for every £100 of outstanding capital, the net cost to him (after tax relief) is only £10.50 per cent. For someone paying 40 per cent or 60 per cent tax the net cost is only 9 per cent and 6 per cent respectively.

Compared with the cost of borrowing from a bank on overdraft (20-22 per cent at most of the clearers) or via a personal loan (a true annual rate of about 21 per cent) this is undoubtedly good value.

On the other hand, if you live within your means and do not need recourse to other forms of financial asssistance (besides your mortgage) the comparison is superfluous. The most important question is whether as say a basic rate taxpayer you should continue paying interest on the £10,000 borrowed from the building society (and invested in your house) and reinvest the £10,000 windfall elsewhere.

The straightforward arithmatic is that you have to earn net interest of more than 10.5 per cent on the £10,000. This is a yield which you can in fact achieve simply by putting the money on deposit. The rate offered by banks (for 7 day deposits), building societies (for ordinary shares) and the National Savings Investment account currently works out at exactly 10.5 per cent net for the basic rate taxpayers.

Those prepared to leave the money intact for a year or two (or even a month or two) will certainly do better with a sum of the order of £10,000. All these rates, of course, are likely to move lower if interest rates generally come down but so with the mortgage rate, albeit not necessarily at the same pace or at the same time.

It is worth bearing in mind, incidentally, that while net monthly mortgage repayments get larger nearer the end of the term of your loan, you still pay the same net rate of interest from year one to year 25 (assuming a constant mortgage rate).

Building societies structure their repayment schedules so that the monthly repayment does not change in gross terms. At the beginning of the term this payment comprises mainly interest plus a small element of capital. As the term proceeds, the capital proportion increases while the interest element decreases and therefore the tax relief with it.

Most people admittedly finance their house purchase through a building society. But, for larger amounts (usually more than £35,000) it is often necessary to use a bank or other lending institution.

Bank mortgages are, of course, more expensive than building societies and while interest relief is still available (because you are financing a house) up to £25,000, you cannot claim relief on amounts borrowed above this ceiling.

Borrowers with bank mortgages may therefore find themselves paying both gross and net interest of 20 per cent at current levels. In these circumstances it would probably be advisable to use a windfall to reduce the balance of capital outstanding.

**Tim Dickson**

## *In pursuit of bondwashers*

**TAXATION**

DAVID WAINMAN

IN THE tax field, one often has the overwhelming feeling that there is nothing new.

This melancholy line of thought was not provoked by the weight and stridency of the advice which is always offered to the Chancellor at this season, hackneyed and predictable as much of it may be. It was the sight of the Inland Revenue once again in full pursuit of bondwashers.

Section 30 of the Taxes Act 1970 which authorises this hue and cry is one of the four remaining sections in that part of that Act which deals with surtax. Its survival into an era of more sophisticated avoidance and counter-measures is the more surprising because surtax itself has not existed since 1972/73—the 1971 Finance Act re-invented it in a slightly different form as an integral part of its replacement, the then "new" unified system: tax at the basic rate, higher rates and additional rate all of which became effective from April 6, 1973.

But we must get back to the washing of bonds. The idea is very simple. If a high rate taxpayer buys gilt-edged securities just after an interest date, ex-interest, and sells them just before the next interest is due, cum-interest, then what he could have taken as taxable interest by holding for longer will actually reach him in capital form.

The sale proceeds he receives will reflect the accrued income in the cum-interest price. It is irrelevant in this connection that some gilts are priced in such a way that accrued interest is stated separately from the basic price: both parts are aggregated for tax purposes into a single capital sum which is accepted as the purchase cost or the sale proceeds.

It is also irrelevant to question whether the interest built into the cum-interest sale price is gross or net. In a stable market, and one in which all buyers and sellers were liable at the basic rate of tax, it should be apparent that the amount by which a stock's price moved between the cum-interest and the ex-interest dates should be equal to the interest net of tax.

But markets are not stable. Nor are all taxpayers liable at the basic rate. There is a sufficient demand, from the gross funds and others, for it to be clear that the cum- and ex-price differential can for those able to choose the exact moment of their dealings, represent more than the net interest, even after taking dealing costs into account.

Since the opportunity is there, so are some high rate taxpayers—regularly washing their bonds in order to bring their net profit into 30 per cent capital gains tax rather than their gross interest into higher and additional (investment income surcharge) rates of tax.

Section 30 strikes at their activities if these are systematic and substantial. It is here that Section 30 shows its antediluvian origins.

More recently enacted attempts by the Revenue to stamp out avoidance generally operate where the "sole or main benefit" to be derived was to have been a tax saving. It is often difficult to demonstrate it was not.

The section requires that the bondholder's income be recalculated as if he had actually received all the interest he would have had if it had accrued from day to day—rather than being received only at annual or semi-annual intervals.

The holdings for which this recalculation must be made include not only Government and local authority bonds, but all other fixed rate stocks and shares.

If the aggregate of his higher and additional rate liabilities on this recalculated income is at least one ninth greater than the liabilities without recalculation, then the Board of Inland Revenue can direct that the assessment be made on the recalculated figures.

The one-ninth or greater increase in liability (the legislation describes it as a 10 per cent avoidance of the increased figure) shows that the attempt at avoidance was substantial. But the unwilling taxpayer can still resist assessment if he can show that his activities were both exceptional and unsystematic—and can also show that he had not sinned similarly in any of the preceding three years.

If he is unable to establish his defence, and is assessed, then all of his capital gains tax calculations have to be redone.

# MOTORING

## The Colt and the Creak

BY STUART MARSHALL

The Colt Sigma 2000GLX estate car. Quick, compact, luxurious inside—and dead reliable.

TWELVE MONTHS and a little over 7,000 miles after we met, only a few hours after it had been driven off the boat, the Colt Sigma 2000GLX estate and I will soon have to part company.

It has been a satisfying if uneventful year. When I gave my first impressions of the Colt at 2,000 miles last June, I reported that it had not been fault free. A plastic name plate had partly detached itself (I think now that I must have disturbed a small boy while he was trying to pick it off) and there was The Creak.

The Creak was a noise I likened to Count Dracula's coffin lid being opened in an old TV movie. It came from the fascia region and plagued me for weeks. They said they couldn't find where it lived at the 600 mile service. But one Sunday morning I tracked it down, gave two tiny screws by the steering column a quarter turn and banished The Creak for ever.

The standard equipment MW/LW radio did not please me—I could not get acceptable listening on radio three—so I changed it for a Bosch Blaupunkt with FM bands, which has been a joy. Last summer, I forgot how low the boughs of an old apple tree had become due to the record crop. I twanged the radio aerial as I drove under it, snapped it as I foolishly backed out. My local Colt dealer had a replacement in stock. It is the only part the car has required.

In 12 months it has been off the road for one day—for its 600 and 6,000 mile services. It has used no oil at all between changes and petrol consumption has varied btween 30 mpg-plus on a relaxed summer journey, 22 mpg during a bitter week when its average run was a couple of miles and the automatic choke was in action most of the time.

In short, the Colt has been trouble free: a model of the reliability which is one of the main reasons why Japanese cars have sold so well in Britain. It has lived out nearly all the time. Never has it failed to start at first flick of the key, hot or cold, regardless of weather. With hand on heart I can say it has never stalled or even spluttered in traffic while warming up. It has been an efficient machine. That is what impresses many people (myself included) more than such arcane matters as how the car behaves when flung into a tight bend at wildly excessive speeds.

In design, the Sigma is conventional Japanese. The front suspension is by McPherson struts; the non-independent rear axle is coil sprung and well located by radius arms so that it does not jump about on rough corners.

The two litre, four cylinder engine develops 98 horsepower at 5,500 rpm. With a 9.5:1 compression ratio, it tolerates three-star but prefers four-star. For a few seconds after cold starting it makes a grumbling noise (something to do with its twin balancing shafts and their associated drive chains, I suspect) but warms up rapidly and is a smooth and tireless performer.

Top speed is a claimed 102.5 mph. The excellent five-speed gearbox has a mildly overdriven top giving a little over 20 mph per 1,000 rpm. On the motorway, the Colt lopes along at an almost soporific 70 mph. On the autobahn, 90-95 mph is a pleasant cruising rate. It is flexible in traffic, fourth and fifth can be used at anything over 20-25 mph.

Not unexpectedly, the recirculating ball steering lacks the precision of a good European rack-and-pinion system but is so light at low speeds one could almost believe it was power-assisted. The Colt rides and handles as well as most medium-size estates whether fully loaded or runing light. The Bridgestone steel radials give no anxiety in the wet and show the merest trace of shoulder wear. If they had ridged sidewalls (like the tyres Mercedes use) they would have saved the stainless steel wheel trims from the odd scrape on high kerbs.

The silver grey cloth seats—the front ones have tilt and lumbar region adjustment—are unwrinkled and have kept surprisingly clean, bearing in mind that the Colt has not been cosseted. The family labrador regards the load space as her second home; thankfully, its carpeted floor Hoovers easily.

Other than the radio, all the equipment has been satisfactory. The three-speed screenwipers, rear window wash/wipe, through-flow ventilation and brilliant but non-dazzling halogen headlamps, are effective. The switch and warning light for the rear window demist needs relocating because it is almost hidden from sight. The rear fog guard lamps look like a UK market afterthought—as I am sure they are. It would be nice to be able to adjust the twin tinted exterior mirrors from inside the car.

After a wash and wipe over, the silver metallic paint shines as though new. Most of the trim is stainless steel and has, of course, remained unmarked. But the chromium plate on the rear bumper has started to deteriorate just above the exhaust tailpipe and a car with so nice an interior deserves a better grade of carpet.

The Colt has certainly borne out the claims of reliability made for the Japanese product. It has executive saloon comfort standards and equipment, but has not been "prettied up" so that one is afraid to use it as a load carrier.

The styling is different. Its curved sides have so much "tumble home" that an automatic car wash (the only kind it has ever had) leaves some mud on the body edges below the doors. Although the bonnet is long, it is all visible from behind the wheel and manoeuvring in tight places is easy enough.

*In price the £5,899 Sigma falls* between the Cortina 2-litre GL and Ghia estates. It is not quite so big, but potential buyers of a quick, compact, smartly furnished and well-equipped estate will find it worth looking at. And I know that one swallow doesn't make a summer, but if my experience is anything to go by, it should spend its time on the road, not in the workshop.

# GARDENING

## The right mix

BY ARTHUR HELLYER

BY A STRANGE paradox the effort to standardise seed and potting composts is resulting in an ever-increasing degree of confusion. It all started half a century ago when scientists working at the John Innes Horticultural Institution (despite its name it was, and still is, a genetical research station) were looking for composts that were both more reliable than the traditional mixtures and could more readily be specified in a precise way.

At this time no one had thought of abandoning soil altogether as the basic ingredient of all seed and potting composts and the practice of partially sterilising soil by heat to rid it of pests and harmful fungi was already well established commercially. At John Innes no revolutionary new ideas were suggested and all the composts were based on loam, peat and sand in various proportions plus fertilisers and with either ground chalk or powdered sulphur according to whether plants liked or were tolerant of lime or were lime haters.

What was new was that the character of each ingredient was carefully specified as also the precise quantity required for each kind of mix, and the method and time of sterilisation. It gave a new precision to all future thinking about plant composts and from that time onwards it was impossible to discuss them any longer in the vague and woolly terms that had been customary previously.

Perhaps it was a misfortune that the John Innes seed and potting composts were never protected in any way. Once the formulae were published, it was open for anyone to make them either for their own use or for sale and there was no one to check them or give any assurance that they really were what they purported to be. Deviations inevitably crept in and over the decades they have become so great and universal that the term "John Innes compost" is now being used to describe any seed or potting mix that contains soil in any proportion. When I recently asked a distinguished and highly successful gardener what compost he had used for a particularly fine batch of plants, and he replied "John Innes," I pressed the question further by enquiring what proportions. "Oh, one, one, one," he replied, meaning, presumably equal parts of loam, peat and sand. There is no John Innes seed or potting compost remotely like that.

The reason for this kind of laxity is that good loam has become almost impossible to purchase and soil of inferior texture requires quite different amounts of peat and sand to make it suitably porous and yet water-rentative. Added to this has been the enormous rise in popularity of soilless composts so that the public has come to think of two basic types of seed and potting composts, those that are traditional, soil-based and therefore "John Innes," and those that are peat-based and therefore "soilless."

Peat was substituted for soil because it could be more easily standardised, required no sterilisation and was in plentiful supply. It was also light and so both easy and cheap to transport. A great deal of initial research was carried out at the University of California and, as with the John Innes work, the results were published and no attempt was made to protect them. They were copied far and wide and many firms also produced their own secret formulae which no one outside the organisation could check. Some have become enormously popular and are now household names. The best are excellent but their price continues to mount inexorably and that in itself has been sufficient to make me, and doubtless many other gardeners, look for alternatives. I also rather dislike having to make use of products in ignorance of what they contain. The element of faith is not strong in me.

There is, of course, nothing to prevent anyone making genuine John Innes composts for themselves except the extreme difficulty of getting loam with sufficient natural fibre and then sterilising it with the precision demanded by the John Innes workers. Nor is there anything to stop one from making University of California (UC) soilless mixes at home except the difficulty of discovering the formulae in Britain. They are not secret but they have scarcely ever been published here though they are frequently written about in America. There are, in fact, rather a lot of alternative formulae, some recommended for one purpose some for another and some requiring to be used within a week of preparation.

One that has a pretty wide range of usefulness for pot plants is composed of equal parts by bulk medium grade sphagnum peat and fine (but not binding) sand. To each litre of this mixture is added 1.5 grammes hoof and horn meal, 0.15g nitrate of potash, 0.15g sulphate of potash, 1.5g superphosphate of lime, 4.5g finely powdered magnesium limestone and 1.5g finely powdered chalk or limestone. For hungry plants the quantity of hoof and horn meal can be doubled. If the mixture is to be stored for more than a week the hoof and horn meal should be omitted and added just before it is to be used. It all sounds simple but it might be difficult to get all the ingredients in small quantities at a reasonable price in Britain.

There is an alternative which for small plants, especially seedlings and cuttings, I am finding very satisfactory. This is to substitute horticultural perlite for sand and use this in varying proportions with medium grade sphagnum peat with or without commercially available fertilisers according to the needs of the case. Perlite might be described as fine, granular foam glass. It is manufactured from a natural glass produced during volcanic eruptions when molten lava cools rapidly. This natural glass contains a small quantity of water and if it is granulated and then heated the water expands it rather like pop corn. The resultant perlite is durable, permeable and completely inert. It is very light, less than a quarter the weight of sand, and it is an excellent insulator so that, in combination with peat, it makes an exceptionally heat retentive compost.

Most important of all roots love it, seeking it out and attaching their fine feeding hairs to it. One big difference I notice with peat-perlite composts is that the roots do not rush to the sides of the pots and there wrap themselves around in ever tightening coils but instead permeate the whole bulk of composts evenly. It looks good and it produces good results.

There is also plenty of technical information about the physical properties of various mixes. Thus a 50-50 mixture of peat and perlite has a water holding capacity of 350-450 kg per cubic meter which is markedly more than one could expect from a similar mix of find sand and peat. It suits a great many plants and is what I am mainly using. Increase the perlite to 90 per cent with 10 per cent peat and one gets a fast draining mixture suitable for desert plants. Reverse the process to 90 per cent peat and 10 per cent perlite and one has a water retentive mixture suitable for bog plants.

Perlite is fully compatible with soil and in the U.S. is greatly used in soil-based composts. All that is now required is more information about the fertilisers that might be used with it and any storage problems when those fertilisers are added. I imagine that something very like the UC recommendations would work. For my part I am using very small quantities of commercial fertilisers such as Phostrogen or Vitax Q-4 where I think it necessary and backing this up with liquid feeding.

# RACING

DOMINIC WIGAN

## Black Minstrel each way

WITH NORTHLEACH, Joleg, Sandford Boy, Irish Display and Crown Witness all having been pulled out of the Lincoln at the final declaration stage only 18 go to the post for the season's first major event.

Although this is one of the smallest post-war fields for the mile handicap now sponsored by the William Hill Organisation finding the winner will be as tricky as ever, for most punters, for not only is it as always a tightly framed handicap, but no one seems to quite know this time whether a high or low draw is favourable. Furthermore, there is the added imponderable of the going.

While some jockeys report the Town Moor ground as little better than holding, others say it is only just on the soft side of good. Times certainly confirm the later view.

Two unlikely to be inconvenienced by the conditions come snow or sunshine are Blue Bridge, a specialist miler, and Black Minstrel, who goes particularly well for an apprentice.

In a race which backers are usually best advised to steer well clear of, Black Minstrel, one of four well-fancied six-year-olds in the line-up, is given a tentative each way vote.

Half an hour after the Lincoln it seems probable that the March Maiden Stakes will take a good deal of winning. For although Aqab and Stanislavsky have both come out several in the line-up—particularly Admiral's Barge and Greek Prince—have useful reputations.

The first-named, a chestnut son of Brigadier Gerard, who was responsible for that fluent opening day winner, Brigadier Green, came out best of the previously unraced contingent when beaten less than four lengths into fourth place behind Prince Northfields in a seven furlong event at Lingfield.

**DONCASTER**

1.45—Bohemian Rhapsody*
2.15—Black Earl***
2.55—Black Minstrel
3.25—Admiral's Barge
3.55—Calypso Joe
4.25—Lafontaine**
4.55—Ankus



# LEGAL NOTICES

NOTICE OF MEETING OF CREDITORS
Pursuant to Section 293
Companies Act, 1948
SANGER PELICAN LIMITED

NOTICE IS HEREBY GIVEN, pursuant to Section 293 of the Companies Act 1948, that a meeting of the Creditors of the above-named Company will be held at Phoenix House, Wellesley Road, Croydon CR9 2BG, on Thursday, the 3rd day of April 1980, at 10 o'clock in the forenoon, for the purpose of having a full statement of the position of the Company's affairs, together with a List of the Creditors of the Company and the estimated amount of their claims, laid before them, and for the purpose, if thought fit, of nominating a Liquidator and of appointing a Committee of Inspection.

NOTICE IS ALSO GIVEN THAT, for the purpose of voting, Secured Creditors must (unless they surrender their security), lodge at the Registered Office of the Company at 99 Aldwych, London WC2 5LJ, before the Meeting a Statement giving particulars of their security, the date when it was given, and the value at which it is assessed.

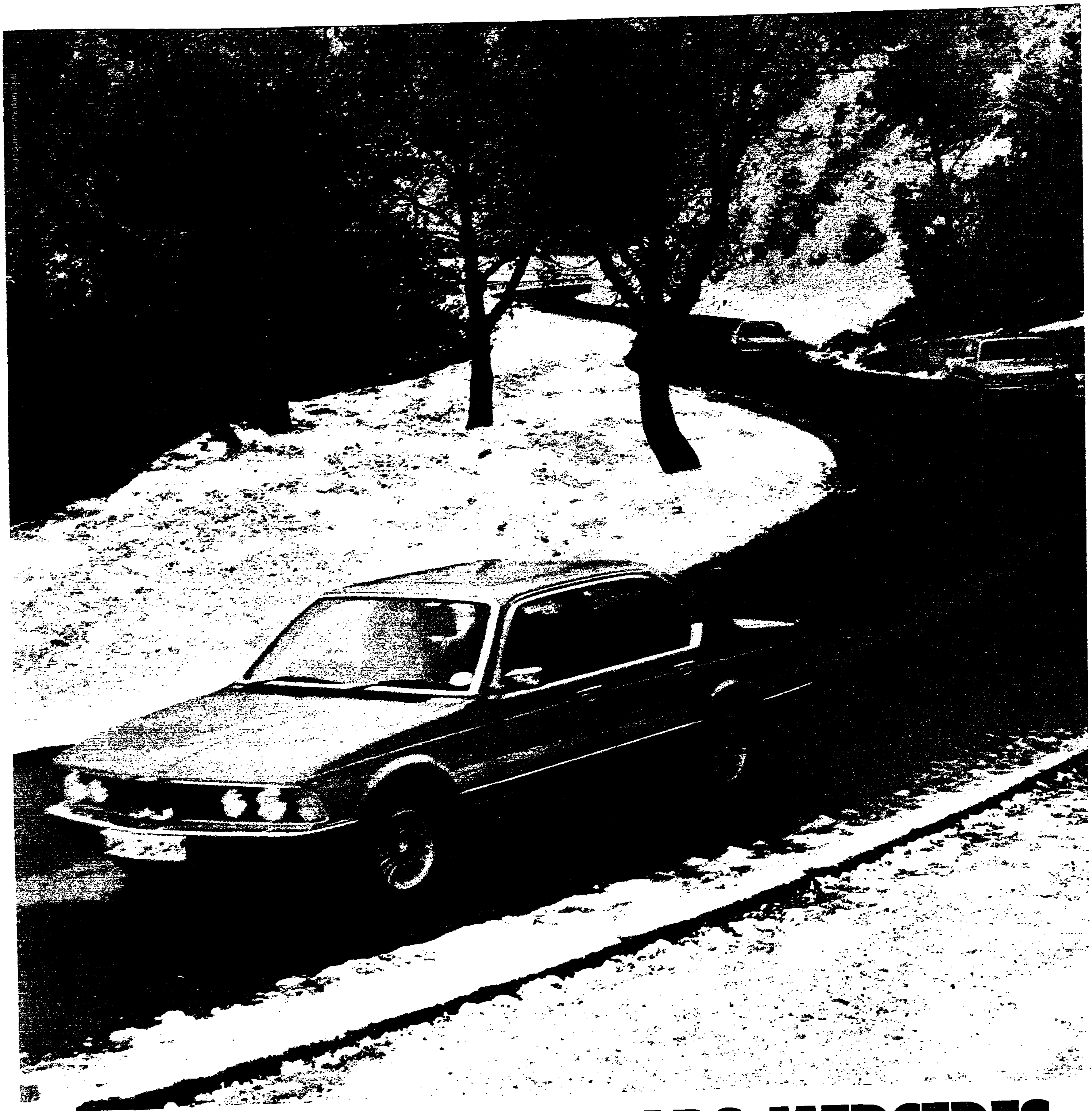
Dated this 18th day of March 1980.
By Order of the Board of Directors.
D. J. PRYKE,
Chartered Accountant,
32, Southcroft Road,
Orpington.

NOTICE OF MEETING OF CREDITORS
Pursuant to Section 293
Companies Act, 1948
BUSINESS PROMOTION COMPANY LIMITED

NOTICE IS HEREBY GIVEN, pursuant to Section 223 of the Companies Act 1948, that a meeting of the Creditors of the above-named Company will be held at Phoenix House, Wellesley Road, Croydon CR9 2BG, on Thursday, the 3rd day of April 1980, at 11 o'clock in the forenoon, for the purpose of having a full statement of the position of the Company's affairs, together with a List of the Creditors of the Company and the estimated amount of their claims, laid before them, and for the purpose, if thought fit, of nominating a Liquidator and of appointing a Committee of inspection.

NOTICE IS ALSO GIVEN THAT, for the purpose of voting, Secured Creditors must (unless they surrender their security), lodge at the Registered Office of the Company at 99 Aldwych, London WC2 5LJ, before the Meeting a Statement giving particulars of their security, the date when it was given, and the value at which it is assessed.

Dated this 18th day of March 1980.
By Order of the Board of Directors,
D. J. PRYKE,
Chartered Accountant,
32, Southcroft Road,
Orpington, Kent.



# NOW IT PASSES JAGUARS, MERCEDES AND PETROL PUMPS.

Followers of the BMW 7 Series (and it's an easy car to find yourself following) won't believe this.

But we've found no less than 45 ways of improving it.

Cleverest of all, we've made the new BMW 7 Series faster and slower at the same time.

First, all the new BMW 7's have fuel injection.

So they are all faster than ever off the mark.

With a 0-60 mph in 7.3 seconds, the manual 735i leaves the 12 cylinder Jaguar XJ 5.3 and Mercedes 350SE struggling to keep up.

And all the new BMW 7's are slower to the petrol pump.

Every gallon you buy squeezes a little more out of the nation's fuel resources.

*Motor* was able to get 18.5 mpg from the BMW 735i and only 11.9 mpg from the Jaguar XJ 5.3 and 13.5 mpg from the Mercedes 350SE.

(For the last two, of course, *Motor* had no choice but to use automatics.)

In part, the modest thirst of the BMW 7's is due to the fuel injection, in part because the cars are now lighter.

And, in the case of the 732i, in part because of the remarkable motronic system.

That's a micro-chip computer which can tune the ignition 100 times every second. (A slight improvement on tuning it every 10,000 miles!)

It means the car will always give of its best, whatever the conditions, however you drive it, and however long.

And that still leaves 43 other improvements to appreciate in the new 7 Series.

Some big, like the 5 speed gearbox that's now available.

Some small, like the heated door lock.

Some thoughtful, like the specially designed dashboard.

But all very welcome changes.

Except to our friends at Jaguar and Mercedes.

**THE ULTIMATE DRIVING MACHINE**

THE BMW 735i COSTS £15,300.95. PRICE INCLUDES: CAR TAX, VAT AND FRONT AND REAR SEAT BELTS. NUMBER PLATES, ROAD FUND LICENCE AND DELIVERY CHARGES EXTRA. PRICE CORRECT AT TIME OF GOING TO PRESS. FOR FULL DETAILS WRITE TO: BMW (GB) LTD. MARKETING DEPT. ELLESFIELD AVENUE, BRACKNELL, BERKS. FIGURES COMPARING 5 SPEED BMW 735i WITH AUTOMATIC JAGUAR XJ 5.3 AND AUTOMATIC MERCEDES 350 SE TAKEN FROM 'MOTOR' 3.11.79. DEPT. OF ENERGY MPG FIGURES. BMW 735i (M) MPG (L/100 KM) URBAN: 14.7 (20.0) 56 MPH: 32.8 (8.6) 75 MPH: 26.0 (10.8). TAX FREE TOURIST, DIPLOMATIC AND NATO SALES. 56 PARK LANE, LONDON W1. TELEPHONE 01-629 9277. TELEX 261360

## PROPERTY

# There's a small hotel by a wishing well

BY JUNE FIELD

OWNING, running and living out of your own hotel, restaurant or public house still appeals, in spite of the hard work involved. Mainly because doing your own thing offers a better chance of maintaining and improving one's standard of living than it ever did since inflation struck, Robert Barry and Co. claims.

In the company's latest review, *The Hotel Market 1979-80* free from Robert Barry and Co., Cotteswold House, Cirencester (0285 2238), or 11, South Charlotte Street, Edinburgh (031-225 2944), it points out that this applies particularly to the "individual entrepreneur who derives the additional advantage of a home and all the associated living benefits."

Unlike the private-house sector, where building societies provide consolidated statistics, no comparative figures appear to be produced for hotels, the price of which to a greater extent is dependent on performance rather than only bricks and mortar value.

As a general guide, though, the increase in prices achieved has in most cases substantially exceeded the rate of inflation, and Robert Barry considers there is no evidence to suggest that motivations in the corporate and private sectors have in any way lost momentum.

The company's portfolio, produced in conjunction with the County of Avon's Director of Estate Services, includes the Salisbury Hotel, Weston-super-Mare, which has a turnover of £211,232. The original intention of the local authority when it acquired the 57-room hotel in 1973 was to subsidise a certain number of rooms so that the disabled could have a holiday at reduced rates. The cuts in Government spending have made this impracticable, so the hotel is up for tender.

Other offerings include a 21-bedroom, 3-star hotel in the West Midlands expected to take £350,000 in the first year after lavish improvements (£550,000 *freehold complete*); and a place on the north Cornish coast, also with 21 bedrooms (plus owner's bungalow), showing £17,600 profits, £175,000 freehold complete.

Deciding on the type of hotel you want, and where you want it, are essential considerations right from the start, Miles Quest insists in *How to Buy Your Own Hotel*, a comprehensive book which also tells you how to raise the finance.

Recently published by Northwood Books in conjunction with Brodie Marshall and Co., 66 Bolsover Street, London, W1, estate agents and valuers to the hotel and catering industry, you can get a copy direct from Northwood Publications, 93-99 Goswell Road, London, EC1, for £4.95, plus £1 postage. They will also send details of other books on catering management.

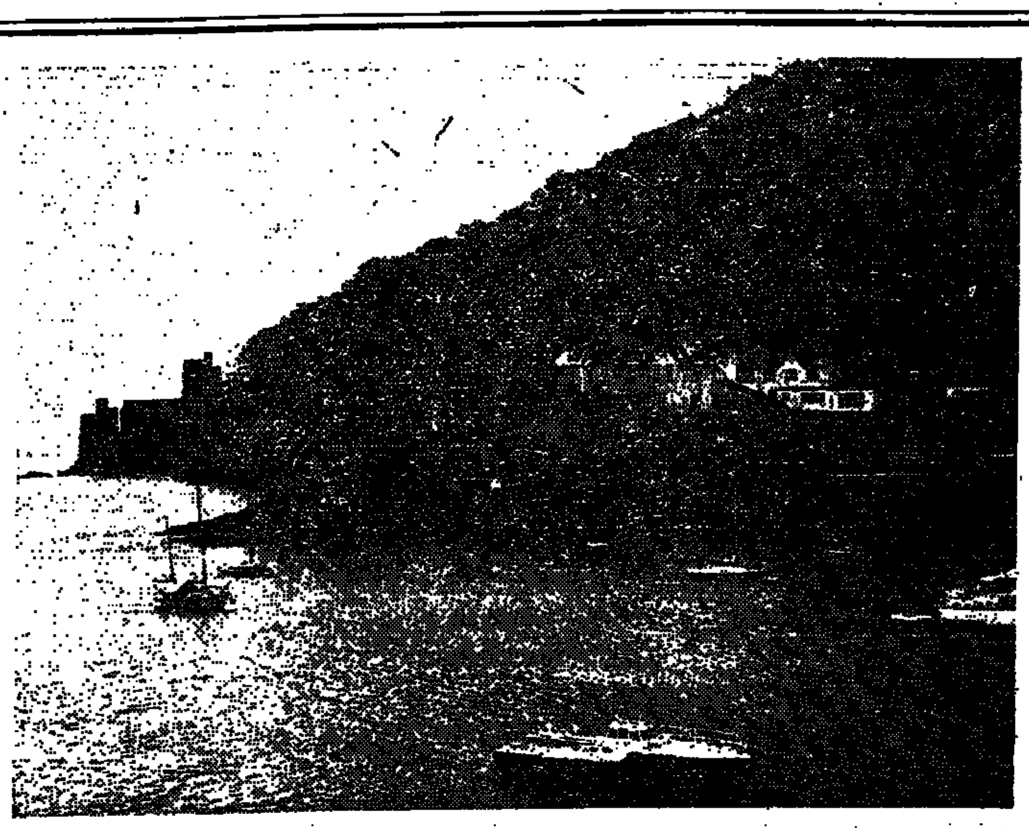
While giving a warning that running an hotel or restaurant mean hard work and long hours, for a public that "can be critical, irritating, mean and thanklessly demanding," Mr. Quest admits that there are numerous examples of inexperienced businessmen who have come into the industry and gained for themselves a happy and secure future.

Some large country houses are also being bought for conversion into hotels or holiday flatlets. Although as one agent points out, one has to bear in mind the cost of conversion, fire-proofing and so on, the property needs to be reasonably well-equipped in the first place.

It is suggested that Gunfield, One Gun Point, Dartmouth, Devon, 12 miles from Torquay, owned by the same family since 1948, and in recent years used as a seasonal licensed hotel, could be turned back to a private home, or divided into holiday homes or apartments.

Guarding the entrance to Dartmouth Harbour, the Victorian Gothic house has 14 bedrooms, four bathrooms, and an acre of woodland, shaded lawns and paths which run down to the water's edge and Gunfield's private bathing beach.

There is an 80-year-old stone and slate building which was used by a previous owner for heated salt-water baths. You can fish for mullet and pollock in the rock pools at low tide, and on the point there is an old cannon from an American man-of-war.



Gunfield, One Gun Point, overlooking Dartmouth, *currently* a 14-bedroom hotel with a restaurant, could be divided into holiday homes or used as a private residence. It goes to auction on April 10 on a price guide in the region of £200,000, which includes an old cannon reputedly from an American man-of-war. Brochure Michael Sperring, Jackson-Stops & Staff, 30 Hendford, Yeovil, Somerset (0936 4066)

Gunfield is expected to go to auction at The Royal Castle Hotel, Dartmouth, on April 10 on a price guide of £200,000. Details: Michael Sperring, Jackson-Stops and Staff, 30, Hendford, Yeovil (0935 4066). The same agents office at 25 Nicholas Street, Chester (0244 28361), is selling the eight-bedroomed Rossi Ristorante, Rhydymain, Gwynedd, 8 miles north of Dolgellau, North Wales, for £82,500.

A new owner would have a considerable gastronomic reputation to uphold, as the restaurant has 2 AA rosettes, and is in Egon Ronay and Michelin as well as the new *Good Food Guide*, published this month by the Consumers' Association and Hodder and Stoughton at £5.95.

The three branches of the licensed trade open to entrants—*managed* houses, brewery tenancies (in the south of England usually dealt with through licensed brokers), and free houses, are fully explained in two informative new books, W. C. Stevenson's *Making and Managing a Pub* (David and Charles, £5.95), and *So you'd like to run a pub . . .?* by Geoffrey Fox, who markets the book himself from 52, Brattle Wood, Sevenoaks, Kent.

For general interest H. A. Moncton's *A History of the English Public House* (Bodley Head, 1969), is still the most entertaining account of the mass of legislation affecting the liquor trade.

Popular pubs don't stay long on the market. The Sir Alf Ramsay, a free house at Broadmead, Tunbridge Wells, built by the late Mr. Sidney Brickman, an enthusiastic football supporter, was sold this month for about £60,000 almost as soon as it was put on the market by Geering and Colyer's Tunbridge Wells office.

But a warning that running a pub is no sinecure comes from Mr. Phillip Seccombe of Edwards Bigwood and Bewlay. The firm's Banbury office sold £370,000 worth of licensed premises at auction last summer.

"If a pub is to be a lucrative business interest and not just a pipe-dream, then fitting-out costs, rates, overheads, stock, draymen, ullage, staff, payrolls, income tax, social security contributions and loss of holidays, must be taken into account."

Coming up for auction on Tuesday is The Plough, Aston Blank, also known as Cold Aston, near Bourton-on-the-Water, where there is a five-year trade agreement with the brewers (price guide £40,000 to £50,000).

On the day after, The Cock, a free house in Heath and Reach, near Leighton Buzzard, is expected to fetch £50,000 to £60,000. (Details Phillip Seccombe, Edwards Bigwood and Bewlay, 13 Horse Fair, Banbury 0295 50484.)

The Abbey Hotel, Kenilworth, a Free House six miles from Coventry, 14 miles from *Stratford-upon-Avon*, has *28 letting bedrooms and seven bathrooms*. First opened in 1892, the hotel is at present only open in the bars, and offers in excess of £150,000 are being invited for the freehold by Phillip Seccombe, Edwards Bigwood & Bewlay, 13 Horse Fair, Banbury, Oxfordshire (0295 50484)

# GOLF/TRAVEL

## Sudden death defeat

BY BEN WRIGHT


Ray Floyd—one jump ahead of Micklaus

JOHNNY MILLER'S marvellous return from the wilderness was very important to both himself and professional golf. But Ray Floyd's epic head to head duel with Jack Nicklaus last Sunday, that resulted in victory for the former at the second hole of a sudden death play-off in the Doral Eastern Open in Miami, was even more so.

For a start television ratings leaped by 38 per cent over the same tournament's 1979 audience. This gives a very fair idea of Nicklaus' appeal to an audience plainly sick and tired of the largely faceless anti-heroes who are hoping to dominate the game during his more and more prolonged periods of absence, and eventual total eclipse.

Thankfully Nicklaus, unlike Miller, did not immediately return to hibernation, and he quickly got into contention yesterday in the Tournament Players' Championship here at Sawgrass. Most of the players to whom I have spoken this past fortnight like to continue competing when they are playing well, and to a man they thought that Miller was wrong to return home to California rather than playing in Miami. In view of the fact that Nicklaus scored 69 yesterday, to Miller's 76, the majority appears to be fairly accurate.

But I still wonder whether Nicklaus will be able to stick to his plan to play in only 12 events this year if he is to achieve the kind of domination over his rivals he enjoyed in the pre-Tom Watson era. We shall see. All I know is that there have been few more exciting finishes to a tournament in my lifetime than that of last Sunday, and that Nicklaus with the help of Californian professional Phil Rodgers, has honed his game to a pitch that makes the U.S. Masters Tournament in three weeks' time all the more exciting in prospect.

Last Sunday Nicklaus, playing in the penultimate grouping, took command early on as his rivals almost respectfully regressed in the manner we have come to expect of them. So with nine holes to play, Nicklaus led by one shot from Floyd and the rising young Texan star Keith Fergus. But the latter chipped into the hole at the 545 yards tenth for a wonderful eagle three to leapfrog over Nicklaus, while Floyd recorded a birdie there to tie Jack for second place. The battle was joined.

As it turned out Fergus, playing in the final trio, was unable to better par for the last eight holes, and so the attention was focused mainly on the confrontation ahead of him between Nicklaus and Floyd. The "old" Nicklaus never used to do such things, but he almost completely missed his drive at the 419 yards 14th, dribbling it along the ground from the tee. To give you an idea of how badly he missed the shot, Nicklaus had to use his two iron for his second shot to reach the rear fringe of the green — a towering stroke of monumental courage that was a sample of the great stuff to come.

Nicklaus saved his par to remain tied with Floyd in second place at seven under par. At the 183 yards 15th Jack hit a superb iron shot four feet from the hole and sank the putt to tie Fergus at eight under par. At the 379 yards 16th, Nicklaus putted his ball straight into the hole from the rear of the green against all the odds, since it wobbled about over at least three feet of rough grass on its progress into the cup 20 feet away.

Now Floyd simply had to hold his own putt for a birdie from eight feet and he duly did so to remain only one shot behind his partner and rival, and alongside Fergus.

Nicklaus, as is his wont, pulled a woeful nine iron shot wide of the green at the 426 yards 17th hole. Floyd, with the adrenalin pumping hard through his system, hit one club too many, and his ball finished on the top tier of a two-tiered green, some 20 yards past the hole. With exquisite touch Floyd rolled his putt down over the ridge and straight into the hole, and Nicklaus managed to get up and down with a chip and a putt to save his par.

And so they were tied at nine under par going to the final tee. Floyd hit a horrible drive, sliced far into the trees away from the lake that runs down the length of this 437 yards hole. Nicklaus' tee shot was perfect, long down the middle. The moment of truth had arrived for Floyd, and he stared crisis straight in the eye as he slammed a blind six iron shot high over the trees to the centre of the green. This was as fine a stroke as one could wish to see under the intolerable pressure.

Just as he had done the day before Nicklaus came over the top of his four iron shot and pulled it to a similar position on the very edge of the water. But this time he was equal to the crisis, as had been Floyd, and he got up and down with a marvellous pitch and a six-foot putt.

And so they were whisked out to the 15th tee, where the play-off could not begin until news came over the walkie talkie that Fergus had failed to make a birdie at the last hole, and had therefore fallen one stroke short of the play-off.

Nicklaus had the better chance of a birdie at the 15th, but his old put struck the back of the hole and went onwards instead of dropping in. And so they came to the crucial 16th, and here it was that from almost an identical position from which Nicklaus had putted into the hole an hour earlier, Floyd chipped the ball straight in down the slope with his sand wedge. Floyd this time did not toss his visor high into the air as he had done earlier at the 17th when holding that monstrous put. He had hurt his arm in the process, and so this time he confined himself to the triumphant raising of a fist as Nicklaus was faced with a 12-foot put to take the match to a third hole.

Alas, the maestro was not up to the task. He pushed his put visibly and the ball did not even touch the hole, and so this wonderful occasion ended almost anti-climactically in the gathering gloom that would have certainly prevented much further play.

## SNOW REPORTS

**EUROPE**

| | | |
|---|---|---|
| Sauze d'Oulx (It.) | 40-170 cm | Powder on some slopes. |
| Andermatt (Sw.) | 85-330 cm | Slush on lower slopes. |
| Verbier (Sw.) | 70-270 cm | Worn patches on low slopes. |
| Serre-Ch'valier (Fr.) | 25-150 cm | Some powder. Good on piste. |
| Flaine (Fr.) | 130-670 cm | New snow on good base. |
| Les Arcs (Fr.) | 155-260 cm | New snow on hard base. |
| La Plagne (Fr.) | 190-400 cm | Good skiing on piste. |

*European reports from Ski Club of Great Britain representatives.*

**THE U.S.**

| | | |
|---|---|---|
| Sugarbush (Vt.) | 12-36 ins | Packed powder. 44 runs open. |
| Stowe (Vt.) | 25-38 ins | Packed powder, melting. |
| Hunter (NY) | 10-66 ins | Granular. 26 runs open. |
| Park City (Utah) | 25-85 ins | Packed powder. All runs open. |
| Aspen (Col.) | 36-92 ins | Packed powder. All runs open. |
| Squaw Valley (Calif.) | 42-54 ins | Packed powder. Very windy. |

*Figures indicate snow depths at top and bottom stations.*

**SCOTLAND**

| | |
|---|---|
| Cairngorm: | Main runs complete. New snow, icy patches. |
| Glenshee: | Main runs most complete. New snow, firm base. |
| Glencoe: | All runs complete. New snow, icy patches. |
| Lecht: | Main runs most complete. Powder snow, icy. |

## Finding the right ski conditions

BY LUCIA VAN DER POST


View of Chamonix

WE WERE feeling a little apprehensive. After all, we hadn't been skiing for five years and we weren't getting any younger. Would muscle, lungs or nerve let us down? Would we, we wondered anxiously, ever be able to recapture that marvellous feeling that only the skier knows when on a magic day everything clicks and you've suddenly mastered that new turn?

The answer we decided was to hedge our bets. We had to find a resort that offered every grade of skiing so that if our nerve had suffered (and after two broken legs in the family I knew mine was not what it had been in its heyday) we could potter gently about on long open easy slopes. If, on the other hand, we found we could still manage it, we wanted the challenge of some more interesting, demanding runs. In particular, for we both love expeditions that involve only one lift and then day-long ski back to home base, we wanted to be within reach of one of the great ski runs of the world.

Being nothing if not fussy, that wasn't all we wanted. We thought we'd like plenty of alternative entertainment just in case we found our love affair wih skiing had palled. You may be surprised to hear we found our place—Chamonix in the French Alps.

Chamonix sits at the foot of Mont Blanc and has access to at least five different skiing areas, quite apart from the famous Vallèe Blanche (about which more later). If that sounds a little daunting it is made easy to cope with by an exceedingly efficient bus service which operates from the centre of town and takes skiers out in all directions to the area they have chosen to ski in.

A four- or seven-day ski pass (FFr 288 and FFr 415 respectively), which includes all transport, the entire lift system not only of the Chamonix valley itself but also of other nearby places like Megève and Les Contamines plus four hours of ski-school a day, means you can move from area to area as you fancy.

For the complete beginner, there is a perfectly adequate slope right in the centre of the town, just beside the Hotel Savoy (now taken over by the Club Mediterranee). Here the beginner, unless he is quite startlingly talented, can spend at least four days learning the basic techniques before graduating to the next most easy area —Le Tour.

How I wish my first resort had had an area like Le Tour—it has a small gentle lift for the real beginner or the especially timid and from there he can graduate to longer versions of the same gentle, open easy piste. Perfect for gaining confidence and getting the feel of skis.

Moderate skiers should take themselves to Les Houches (though some areas in Les Houches are ideal, too, for beginners who want to add even more variety to their repertoire of easy slopes). Here are some of the prettiest moderate skiing runs I have seen with slopes leading down to St. Gervais on one side and looking out over the Chamonix valley on the other.

For good skiers there is Le Brevent, which goes up to 2,525 metres, and offers quite challenging runs down both to the midway station and to the bottom. For some reason I never seemed attracted to it and spent almost all my time at Les Grand's Montets, the ski area reached from Argentières.

Les Grands Montets has a lift system going up to 3,275 metres and as interesting and varied an assortment of runs as any one area or mountain could reasonably be expected to provide. Because it is north-facing it was the one area in our amazingly sunny fortnight where the snow was consistently good. The consequent disadvantage was that people poured into Argentières from the surrounding areas, making queuing for the main telecabine a lengthy and disagreeable business.

The real glory of the area is the day's delight provided by La Vallèe Blanche. The cable-car journey to the top of the Aiguille de Midi is one of the highest and most spectacular in the world and from there you can spend a gentle day skiing down the 20 kilometres to the bottom.

Do not be tempted to do it alone. No matter how good a skier you are (and the skiing is not difficult; anybody who can manage a stem christie can do it); the dangers are real. There are crevasses into which the unwary can fall and even if you start off in fine weather it would be very difficult to find your way down if the weather changed.

We hired a guide (easily done from the Maison de la Montagne in the town centre) and at 435 FFr between five of us it was marvellous value (it included insurance and the cost of helicopter rescue if necessary).

We did the run on a day of perfect, incessant sunshine and it must be one of the most stunning scenic runs in the world. You take your own food, for there is no restaurant on the way, and arrive back at the end of the day feeling rather as Sir Edmund Hillary must have felt after conquering Everest.

I am not much of a guide to the apres-ski life—we skied so hard that we didn't have the energy to explore it but I suspect it was almost non-existent if the gloomy expression of the lone man in our pension was anything to go by.

We stayed in a simple but charming little bed and breakfast pension right in the middle of the town, the Hotel du Midi, and went out each night for dinner. We were offered fondues and steak frites night after night until we longed for our home-cooked food.

Nor is Chamonix a place for promenaders, for the chic brigade who like to see and be seen. "No snow-bunnies" as our lone man gloomily commented. I got the feeling it was strictly for the fairly keen skiers, with the whole town settling down early to bed ready for the next day's attack on the snow.

If you happen to be injured there is lots in Chamonix to console the walking wounded —I saw my first ice-hockey match in the great sports centre, there's an olympic-size swimming pool, a skating rink, cinemas, and, of course, "le shopping."

A few words of warning—don't go to Chamonix in the dark days of January. It is placed in a long valley and even in a very sunny fortnight in February the village itself seemed to be continually in shadow.

Secondly, don't go in the French school holidays. These seem interminable as each of the three areas of France has one of the last three weeks in February.

The queues are such that the ski-school was forced to start at 8.15 each day (not my ideas of a holiday) and the pressure on the lifts was intolerable.

# BOOKS

## Fiction

# Bicycle made for two

BY ISABEL QUIGLY

**Life Before Man**
by Margaret Atwood. Cape. £5.95. 317 pages

**A Gentle Occupation**
by Dirk Bogarde. Chatto and Windus. £5.95. 360 pages

**Narrow Rooms**
by James Purdy. The Ram Publishing Company. £5.95. 185 pages

Lesje (pronounced Lashia) is a Canadian paleontologist with one Ukranian and one Lithuanian set of grandparents, and an almost all-absorbing passion for her subject. William, with whom she lives, is a specialist in environmental engineering (sewage disposal), equally obsessed with his subject, and a Wasp; so he finds her "impossibly exotic." Nate is a failure, plain though not simple, at least in worldly terms: a drop-out lawyer who hand-makes expensive wooden toys. His wife Elizabeth, who is "haute Wasp," has lovers, and the latest has just killed himself, gorily, when the book starts, leaving her in trance-like shock. Both she and Nate adore their two small daughters, so the family hangs creakily together. Lesje and Nate fall in love: what to do?

Margaret Atwood's *Life Before Man* sounds like Drabble-country: which just shows that plot and action and social situation are nothing in comparison with the writer's presence. This is familiar ground seen in the shimmer of an extraordinary imagination. Witty, lightfooted, realistic yet with shooting insights into the nature of personality and love, it deals with the most ordinary, recognisable, middle-of-the-road, socially-middling people and situations at home, at work, in public and private life, but with a peculiarity of phrase and eyesight that lift it entirely out of its own ordinariness.

Much of it turns, for instance, on the drab question of money. Nate's toymaking doesn't earn enough for one household, let alone two, and he is constantly borrowing five dollars from wife or mistress, generally to buy a consoling meal or present for the other.

None of them can afford a car, so Nate commutes nightly, exhaustedly, between home and mistress on a bicycle. All this is half, and wryly, comic. But beside it is a great flow of feeling, a sense of the tidal nature of love, need, familiarity: nothing ordinary about it. Margaret Atwood is a poet and so something of a seer. She sees the underlying life of the past, very distant, as it seems to paleontologists, or recent, as it is when it has stamped patterns on the present. Once again a novel shows that exotic situations are unnecessary, don't necessarily enlarge the scope of fiction; that originality and power are in the writer, to use at will, whatever the material.

Dirk Bogarde's first novel is a complex one, and a success. His two books of autobiography showed he was a writer; *A Gentle Occupation* shows he can handle the technicalities of fiction, including a large cast one never confuses, remembering names, faces, races and allegiances from the start. "I always hoped that my particular war would be a gentle occupation," says one of the English officers. "Vain hope. It never is."

Postwar Indonesia is anything but gentle. The Dutch haven't yet returned, the British are in nominal charge but powerless against the terrorists, the Japanese occupiers are now prisoners, and the place swarms with recently released internees, husbands back from prison camps, and locals with pasts, brave or shady. General Cutts's mistress ran a brothel on the edge of the internment camp. Emmie was kept for a year in a cupboard under the stairs. The race-course is flanked by a mass grave. Each character has his own way of remembering the just-over war, loving or hating or regretting it, his own past to return to or to dread rediscovering; and, as in life, public attitudes and private matters are balanced.

The dialogue is particularly good, exactly in period, with what now seems the right exaggerations and intonations: the actor's ear has caught tone and pitch and pace. What's best about the people is the way they judge and set off one another,

Trevor Humphries

Dirk Bogarde: novel of Indonesia

interact and put in perspective one another's attitudes: one learns to respect or like through others' respect or liking. And there's sympathy for all sorts: the hearty nurse, the funny, unhappy homosexual, the edgy, the maimed, even the pimps and spies and oddments the war gave power to, the army people, the mem-sahibs. This is a talented, extremely promising start in fiction for the man with two parallel careers.

James Purdy's earlier novels have shown the power of his writing: glowing, unselfconsciously rhythmic prose that sometimes achieves beauty, sometimes effusiveness. *Narrow Rooms* is a good title for a story of homosexual love in West Virginia, because the imagery is all of restriction, imprisonment: in gaol or invalid bed or coffin, or just in the emotional obsessions that concentrate a man's life on a single person and feeling.

Four young countrymen's lives interact from childhood. Locked in hopeless rivalry and attraction, they circle one another, torment and finally kill one another. All ends in bloody, baleful horror, police closing in on what's left after grave-robbing and a kind of crucifixion, lover nailing his beloved to a barn-door. Not for the squeamish and most emphatically not "a good read": but what seem like the desperate outpourings of an extraordinarily gifted writer now freed from the social shackles of censorship but not knowing artistically, quite what to do with his freedom. At times he seems to be thrashing both his writing and his talent.

# Blok buster

BY C. P. SNOW

**The Life of Aleksandr Blok Volume II. The Release of Harmony 1908-21**
by Avril Pyman. Oxford University Press. £16.50. 421 pages

The first volume of Dr. Avril Pyman's biography of Aleksandr Blok received much praise, including some from me. Now that I have read the second and final volume, I am certain that that praise was much too timid. I said that the whole work was going to be the definitive study of Blok in English. That was judicious pussy-footing, since there is unlikely to be another study on this scale in English, within foreseeable time. I had better now come clean. I have no doubt at all that the complete work ranks amongst the greatest of literary biographies, together with Edgar Johnson's *Dickens* and *Scott*, Gordon Haight's *George Eliot*, George Painter's *Proust*, and perhaps half a dozen others.

Dr. Pyman had considerable luck in her subject. He was not only one of the greatest poets of this century (the best comparison in English is probably Yeats), but he was a man of complex and fascinating personality. He was, towards the end of his short life, involved, and intimately, in apocalyptic events. No English or American writer has lived through anything like the Russian Revolution. Yeats wrote about the Easter rebellion and a terrible beauty being born—but that was seen from a distance, not from Petrograd in January 1918, when Blok in a few days produced "The Twelve," that great and mysterious poem which no one has been sure of understanding to this day. The author himself seems to have been half-mystified. It may be the only transcendental work of art to have emerged from the heart of a revolution.

At the end of her first volume, Dr. Pyman reached the year 1908, when Blok, then aged 27, was already the most famous of the Symbolists in Russia. The Symbolists, both in art and life, performed with characteristic Russian immoderation. Anything the West could do in permissiveness, the Russians could take several steps further. Drink on an heroic scale: Blok was himself a Russian drinker. Personal relations of bizarre and violent emotional intensity à la Dostoevsky.

Sex: It was hard to know who was, or was not, loving whom. Blok had remarkable physical presence, to the point of beauty. He was also a great poet, which in Russia has always carried much aphrodisiac appeal. He brooded at one point on how many women he had slept with—two hundred? Three hundred? But in that wild society, which makes their English counterparts look tame domestic animals, there was one woman Blok had not slept with. That was his wife.

Blok's wife was the daughter of the great scientist Mendelev. Thus, like Blok himself, she came from the professional—not landed—upper class. He wrote poems about her as the Most Beautiful Lady. From the photographs, that seems rather an exaggeration, though she was a handsome, buxom Russian girl. She was not cold. She took lovers, and had a child by one of them. Blok was the Byron of literary Petersburg, was loved by many mistresses and also had an appetite for prostitutes.

Avril Pyman, who during her years in the Soviet Union had access to many private sources, tracked down some of the surviving mistresses. One was a celebrated opera-singer of spectacular charm who gave Blok his nearest approach to happiness. Yet it was still the wife of the unconsummated marriage that he loved. He wrote — in a diary of abnormal intellectual and introspective distinction — "there is Lyuba [the diminutive of his wife's name] and all the rest." Lyuba returned his love. Avril Pyman does not offer much explanation of their marriage.

That whole society of pre-Revolution Petersburg was of course in the technical sense decadent, and in a cruder sense also. But it had a sharp difference from other such societies, including some nearer our own time. Those Russians all *knew* that their world would not last. Many of them, Blok most of all, did not want it to last. He was not immediately political, but he had acute, and remarkably accurate, prophetic intuition. He craved for a change. He could feel it coming. It might be for the better. That was what he continued to feel when the October revolution actually arrived, almost bloodless at the beginning, followed by the killing cold and near starvation of the first winter. It was in that condition, hungry, cold, and struggling between hope and premonition, that he wrote "The Twelve" and the companion-piece, "The Scythians."

He was more imaginatively intellectual than any Western poet of his time. He wasn't a Marxist, but he understood the insights of Marxism. He also understood the insights of his father-in-law in predicting a Russian escape from poverty and the sheer necessity of an industrial climb towards the condition of the United States. Both would have had sympathy with Soviet construction. It would only be guesswork as to how they would have reckoned with the cost.

Blok, who died in his 41st year, remained a free soul. As Pasternak said, in one of the most moving of tributes, Blok had an intrinsic freedom which was greater and more significant than any political or moral freedom. That, coming from Pasternak, is worth thinking about by anyone who wants to understand Russia.

Blok, to add another layer of complexity, believed in a reality beyond the natural world. Like Dostoevsky's Shatov, however, though he could accept the Russian Church, he could go n ofurther than wish that he believed in God.

An astonishing man, and a wonderful book.

Cecil Day-Lewis as he appeared on television three months before his death in 1972

# Busy bard's life

BY ANTHONY CURTIS

**C. Day-Lewis: An English Literary Life**
by Sean Day-Lewis. Weidenfeld and Nicolson. £12.50. 333 pages

Sean Day-Lewis gives us a complete account of his father's development as a poet. He makes it clear how hard always he worked at his vocation. Day-Lewis was writing poetry almost up to the time he died at the house of his friends Jane and Kingsley Amis. His poetic achievement is one day going to require the serious appraisal denied the poet in his lifetime.

Apart from its poetic heart there were many other aspects to the career of Day-Lewis. The biography is sub-titled "An English Literary Life," and we gather what is involved in becoming a literary figure of this eminence in contemporary England. No aspect of his father's literary activity is neglected by Mr. Day-Lewis. Alongside the poet there was the detective-story writer, Nicholas Blake who produced 20 books. We learn how closely parts of these were drawn from life. The malicious doctor in *The Worm of Death* set in Day-Lewis's Greenwich house is, for instance, based on Berenson.

Then there was the publisher's literary adviser, mainstay for many years of Chatto and Windus, in double harness with the member of various committees of such bodies as the Book Society, The Royal Society of Literature, the Society of Authors, the Literature Panel of the Arts Council of which Day-Lewis was a controversial and much abused chairman through his efforts to succour individual authors with grants.

Yet another fruitful side to his career was as a translator (of Virgil and Valéry), as lecturer on poetic tradition and technique with a gift for brilliant exposition, and as a verse-reader in a voice of haunting resonance that betrayed his Irish ancestry. Towards the end of his life his platform performances in partnership with his second wife, Jill Balcon, were a regular feature of the radio and poetry-reading circuit.

Perhaps I might mention one small omission to this otherwise complete picture of his extra-poetic work. Nicholas Blake was the first reviewer of crime fiction on the Sunday Telegraph. As the then literary editor I vividly remember his coming in with his shopping-bag to pick up the books; often on his way to Dorset for the weekend, and enchanting us with his comments on the volumes as he chose them and other anecdotes. His charm was irresistible.

As well as being an industrious man Day-Lewis was also a passionate one who led a private life of great complexity. In this respect the biography is no less informative than it is about the work. Mr. Day-Lewis must surely have found these parts difficult to write and he is to be congratulated on the rigour with which he has settled for nothing less than the truth. It is not given to many sons to be as penetrating in public about a distinguished father as he has been. In this endeavour which would surely have pleased the subject of the book he appears to have had the full co-operation of those closest to the poet. Thus at the various crises of his life, the break-up of his first marriage to the author's mother, his fathering of a son by his Devonian mistress, his long love-affair with Rosamond Lehmann, his courtship of Jill Balcon, 25, at the age of 46, we are able to read his own words as they were uttered in private letters and conversations. These sections are not merely revealing about the man one thought one knew but often heart-breaking.

# Adopted road

BY SARAH PRESTON

**Innocent Blood**
by P. D. James. Faber and Faber. £5.95. 276 pages

Does a girl's search to find her own identity qualify as a subject for a thriller? For *Innocent Blood* P. D. James abandons the conventional detective novel of her last seven books and uses the framework of crime, search and resolution to write about more perplexing mysteries. The suspense is as great and the psychological depths murkier than in her earlier genre.

Philippa Palfrey is spirited, beautiful, clever and adopted. At eighteen years of age, waiting to take up her scholarship to read English at Cambridge, she uses her right under the Children Act 1975 to see her first birth certificate and discover the name of her natural mother. Unlike the majority of the tiny percentage of adopted people who in real life have exercised their right, she decides to track down her first parents.

Many adolescents have fantasies that they belong elsewhere. Philippa has vague memories of a library in a stately home. Despite the sophistication of a modern girl and the toughness of her intellect she imagines she is probably the indiscretion of some aristocratic younger son. What she discovers—and this is only the beginning of the mystery so there is no harm in telling—is that her mother is in prison for killing the child her father raped. Nor is she the only person interested in her mother's release on parole which is due shortly.

The detail of the legislation affecting adoption, of prison, probation and court procedure, is as rigorously accurate as would be expected from an author who has worked in the Home Office. All the locations feel real from the office where the statutory interview is held with the counsellor under section 26 of the Children Act 1975, to the basement kitchen where Philippa's *declassée* adoptive mother concocts exquisite food for her husband's smart intellectual dinner parties. But more impressive is P. D. James's sympathy with the emotional states of her characters. They are all people whom sociologists would describe as damaged. Philippa's adoptive father, Maurice, is particularly convincing. He is unable, for all his clever sensitivity, to console her in the way she needs.

At first one wonders about Philippa. How could a girl so exceptionally steeped in literature, in the experiences of others, be so brittle and blind to her own responses. By the end it is clear that she is drawn with complete consistency. We watch her emerging from her cocoon of self-absorption. Philippa wonders "Is it only through learning to love that we find identity?" This is an important question asked but not necessarily answered by this perceptive novel. It will be interesting to see whether P. D. James now reverts to solving more conventional mysteries or goes on to probe fresh philosophical and psychological questions.

# Spies in California

BY DAVID BELL

**The Falcon and the Snowman: A true story of friendship and espionage**
by Robert Lindsey. Jonathan Cape. £6.50. 358 pages

This is one of the most remarkable—and certainly one of the most bizarre—of all the spy stories that have emerged in the past 30 years.

It is a true account of how two young Californians passed a stream of top secret information about CIA spy satellites to the Soviet embassy in Mexico City in the mid-70s. One of them, Andrew Daulton Lee, came to be called Snowman after the colour of the pure white cocaine that he both used and sold.

The other, whose character is in itself a fascinating study, was Christopher Boyce. His passionate obsession with falconry earned him the name Falcon—hence the title of the book.

Lee financed his growing drug habit with the thousands of dollars he received from the Russians in Mexico. Boyce, who at the age of 21 had access to some of the country's most closely guarded secrets, seems to have acted out of the tangled belief that he might, by telling the Russians of CIA plans, expiate some of the wrongs that he believed America had done around the world.

For over two years Lee commuted back and forth from Mexico where he made contact with a host of identikit KGB men who plied him with vodka, arranged clandestine meetings and even sent him on a document photographing course in Vienna.

Meanwhile inside a TRW plant in California, Boyce was operating a coded data link with the CIA's headquarters. Security was something of a joke. Daiquiri cocktails were whipped up with the aid of the document-shredder, at least one marijuana plant was growing nicely and one employee was placing bets on horses using the security phones in the emergency war room. CIA operators in other parts of the world regularly sent him messages by mistake. These too were passed on to the Russians.

Eventually the two were caught and sent to prison for 40 years. But last month Boyce escaped and is now on the run. Or is he? For the tantalising thing about this book is the questions that it can not quite answer.

Did it, for example, really take the FBI two years to catch up with this unlikely pair? Or did the CIA use them to feed wrong information to the Russians for at least part of the time? How was it that Lee, who had a string of drug charges hanging over him, managed to cross the Mexican frontier so often without once being stopped? And why was it that Boyce never supplied the Russians with the information about satellite frequencies which they wanted above all else? Was he perhaps all the time working for the CIA?

Robert Lindsey, who originally covered the story for the New York Times, concludes that the chances are that—at least at the beginning—the Falcon and the Snowman were acting on their own account. Some of the most interesting parts of the book—which seem to bolster this view—are those in which he describes the gilded, but empty, childhood of these two putative traitors.

Boyce, in particular, is an intriguing figure. Although he abandoned his devout Catholicism he never surrendered his belief in moral absolutes. Vietnam, Chile, civil rights, Watergate all appalled him and became woven into a "whole cancerous tapestry of perverted American principles." Offering secrets to the Russians was a defiant gesture in the face of these.

Lee, by contrast, had more mundane motives. Seduced by the charms of the high school drug culture he became an addict. Drug dealing brought him easy money at first, but sustaining his life style became increasingly expensive. Dollars from the Russians seemed a laughably easy solution and he became, in Mr. Lindsey's words, "perhaps as skilled a travelling salesman as the KGB has ever had to deal with."

The book is full of extraordinary images, but none more remarkable than that of the long-haired Californian, fortifying himself with cocaine before each meeting with the correct, hard-faced men from the KGB in their Mexico embassy.

If the information that he passed on was indeed genuine it was of enormous use to the Russians. It gave them, for the first time, access to the technology of at least some U.S. satellite systems and to the work of some of the country's best electronic brains. It appears to have forced President Carter to acknowledge for the first time that the U.S. was building spy satellites.

But despites the huge amount of first-class research which makes this such a compelling book the reader may be left with the suspicion that it is not quite the full story. It will be interesting to see whether Boyce is recaptured or whether he merely disappears—perhaps to assume a new identity courtesy of the CIA or, perhaps, of the KGB.

# Nutshell knowledge

BY REX WINSBURY

**Aquinas** by Anthony Kenny. **Dante** by George Holmes. **Hume** by A. J. Ayer. **Jesus** by Humphrey Carpenter. **Marx** by Peter Singer. **Pascal** by Alban Krailsheimer. Oxford University Press, 95p each. 85 to 100 pages each (paperbacks, hardback editions at £3.50 each)

Excellent for writing school essays, no doubt, but what else are we to make of these daunting attempts to reduce the whole of West European thought into vignettes of under 100 pages? For these six slim volumes are, it seems, but the tip of the heap. Another 32 are explicitly promised, with "others" to follow. They range, alphabetically, from Augustine to Tolstoy, and chronologically from Homer to Bergson. One may also muse on the question why Marx runs out at a mere 76 pages of exposition, while Dante breasts the tape at 97, closely followed by Jesus at 95.

Less frivolous—and these books are anything but frivolous, alas—is the question of how you treat, say, Marx or Jesus in such a short space. The attempts vary from a rapid race through Hell, Purgatory and Paradise (infuriatingly and absurdly referred to as "Inf," "Purg" and "Para" throughout) to a thoughtful and to me illuminating essay on Jesus that concentrates upon an explicit but limited purpose, namely to approach Jesus with the eye of a historian and ask what weight to give to the evidence about his life and sayings.

I find this approach more successful, since it recognises the limitations of the format. The exposition of Marx is very competently done, but the price of brevity is a fairly conventional and unexciting conclusion at the end of a noble attempt to show that Marx wrote much more than *Das Kapital*.

On the whole—but with exceptions—the authors have resisted the temptation to round off with those thundering platitudes about "He changed the way we perceive the world" or "He embodied as no other the spirit of his age," and if one accepts the need for pocket culture with (as it appears from the outside) a publisher's edict that 100 pages is the maximum the market will bear, then these volumes are an undoubted success. There is neither condescension nor waste of space, and the authors speak with established authority.

But as a frivolous aside, being a computer freak I do look forward to the day when an object of this same size—about 4½ ins by 7 ins by ½ in thick—can store and retrieve a massively larger volume of information by being in effect a tiny computer with a compact, perhaps biological, computer memory. There is one in that notable modern work *The Hitch-hiker's Guide to the Galaxy*, and I do feel that what Oxford have given us is a hitch-hiker's guide to the intellectual galaxy for those who, like the hero of "Hitch," find themselves strapped into Poetry Appreciation Chairs.

# Railway anniversary

BY BRIAN AGER

**Liverpool & Manchester Railway, 1830-1980**
by Frank Ferneyhough. Robert Hale, £8.95. 192 pages

In case it has escaped your attention this is the 150th anniversary of the Liverpool and Manchester Railway, the forerunner of the railway systems of the world.

Now, in addition to the special issue of stamps, a replica of the Rocket steaming into London and various other high-jinks, we have this book by Frank Ferneyhough.

This is not just a book for railway buffs—though they will find plenty to drool over. Mr. Ferneyhough has put the advent of railways firmly into its context.

For the Liverpool and Manchester gave new impetus to the port of Liverpool and boosted the Manchester area textile industry. Then, as the railways spread rapidly, they provided an essential ingredient for the industrial revolution.

But a lot of battling was needed before the Liverpool and Manchester Railway became a reality. Canal companies and landowners were prominent in the fight to strangle the idea at birth, but George Stephenson and the pro-railways group which employed him finally won.

## HOW TO SPEND IT by Lucia van der Post

# Surprise, surprise! The crafts are alive and kicking

IF THERE has been one thing, above all, that has consistently excited me since I began writing this page, it is the astonishing flowering that the past decade has seen in the whole area of the crafts.

I remember only too well when the very word was a turn-off: when it brought to mind rows and rows of indeterminately-coloured pots, of worthy dirndl-skirted ladies energetically working their looms or producing rather unattractive pieces of macrame.

How the image has changed. If the stream of craftsmen that I come into contact with are at all typical, there has been a great infusion of youth, with young people interested in anything from glass engraving to the making of fine jewellery, from the throwing of amazingly innovative and often eye-stopping pottery to rich and beautiful weaving. I am constantly astounded by their invention, their skill and, above all, by how very inexpensive most of their work is. Few of them seem to know much about proper costing systems and many of them work in far-flung areas where rents are low and time isn't properly assessed, let alone the rising cost of replacing the materials they have just used.

In my view almost every small gallery up and down the country, many of which have played a crucial part in this new revival, is full of original, imaginative work at astoundingly good prices. My main plea to readers is to remember that their support is vital if these craftsmen and women are to survive and so I urge them not to use these small galleries just as exhibition halls but to understand that what they really need is for people to show that they value them and their work in the most practical way possible—that is, by buying the things they make.

I am quite convinced that anybody who has a good eye and buys wisely could form a collection in almost any area that he chooses (jewellery, pottery, textiles) that could be immensely valuable in the years to come. How I wish now that I had bought the work of Lucie Rie or Bernard Leach all those years ago when it cost relatively little. Hans Coper's stoneware is also becoming a sought-after collector's item and I see from an article in "Crafts" magazine that in December at a Sotheby's sale a 2,000 per cent profit was made on a Hans Coper pot.

Similarly, I wish I had bought (as I so ardently urged readers to do) jewellery at the first Loot exhibition at Goldsmiths Hall, London, by jewellers like Wendy Ramshaw, John Donald, Jane Allen and Gerda Flockinger all of whose work was being sold at under £50.

I was interested to see that Roy Strong, director of the Victoria and Albert Museum, in an article on the Arts pages of this paper, earlier in the year, felt very much as I did about the crafts. As he put it "within the realm of the contemporary visual arts the greatest achievement of the last decade must surely lie with the crafts." He marvelled, as I do, that it is so largely unrecognised in this country when others "often from the mainland of Europe or the United States, have been keenly aware that Britain during the 1970s underwent a creative Renaissance in the crafts unparalleled elsewhere."

As to his criticism that the media have either ignored their activities or waved "them a hand from the columns of the women's page," I can only speak for myself and say that I have been waving madly for years. Here, today, is another salutory wave.

The galleries, craftsmen and crafts selected for this week are only the very tiny tip of the iceberg. It is impossible in this kind of space and without the resources of colour to do justice to all that is happening up and down the country.

Let me just add that besides the galleries featured here, The Oxford Gallery in Oxford, currently has a marvellous collection of spoons and ladles by 10 different silversmiths (how I wish I had bought some of William Phipps' marvellous spoons when I first saw them at Loot five years ago).

Besides the small shops and galleries, Liberty of Regent Street, London, always has some distinguished work in its One-Off department and Heal's of Tottenham Court Road, London, also gives up a portion of the store to a department called Craftwork where there is nearly always something original and desirable to be found.

Bournes of Oxford Street, London, has established a craft village on its fourth floor which visitors to London might like to see.

Devon seems to be a hive of artistic activity with many craftsmen and women finding it a congenial area in which to live and work. Windjammer Crafts at Russell Court, Fore Street, Salcombe, Devon, provides an outlet for many local craftsmen and their spring exhibition, which opened yesterday and runs until May 19, centres on the work of three artists.

Photographed, above left, is a collection of wooden boxes by Richard Raffan. He uses a wide variety of woods and loves to make little collections of boxes, often the biggest one no more than three inches high, into which a whole series of other smaller boxes fit on the Russian doll principle. He also makes, and has an example in the exhibition, a beautiful box of spillikins—there are 50 spillikins, each one hand-turned and extremely delicate, all stored in a sandalwood box. John Makepeace has already bought a set for his private collection—the price is £180 a set.

Jacqui Downer specialises in very finely finished porcelain and a wide variety of her work will be on display and on sale. Perhaps the piece-de-resistance of her work is a ceramic table lamp with the base forming the basket of a hot-air balloon filled with people and the shade being the balloon. Not cheap at £108, but very special. At much lower prices there are small desirable pieces of fruit, again in her own brand of very delicate porcelain, at prices between £7 and £8.

Rosa Seldon is completely unknown and is a textile designer. She does exquisite textile work and beautiful, hand-made, silk cushions with individual designs on them, like colourful butterflies, which seem to me very reasonable at £16 each.

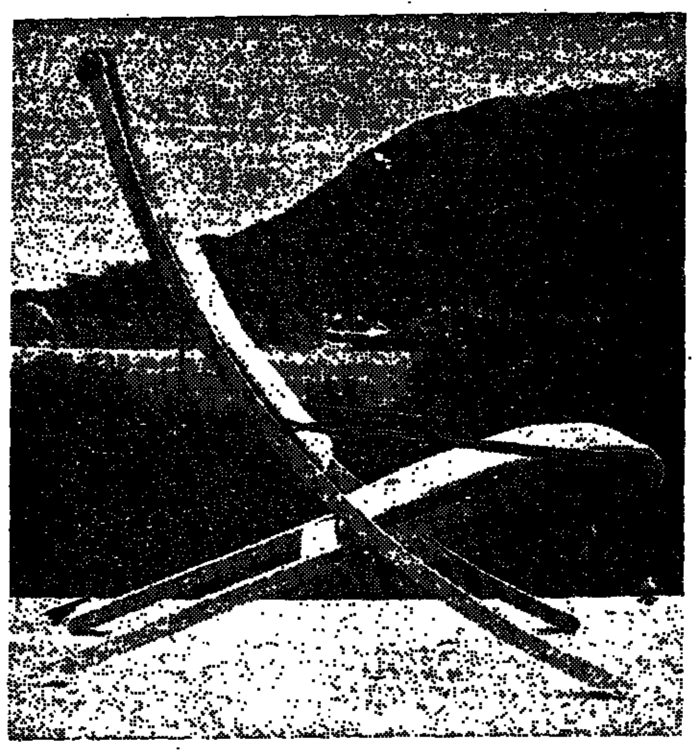
Not exhibiting at Windjammer Crafts are two craftsmen from that part of the world, who have become almost world-famous for their exceedingly beautifully-wrought toys—Frank and Bridget Egerton. Their work is sold in fine toy shops and galleries up and down the country, but ending on Monday is a special exhibition of a large collection of their work at Craftwork Gallery in Heal's. After Monday there will always be examples of their work at Craftwork.

Toys is perhaps a misleading word for, as you can see from the photograph, above right, the appeal of what they do is universal. Most of their toys have a nice healthy touch of humour about them to prevent them being too solemn.

Prices may seem high but, when you consider the time and skill that have gone into them it doesn't seem too much to pay for what are almost works of art. Prices from £24.

Jewellery is one of our liveliest crafts—indeed I am convinced it is the most original and innovative in the world. Anybody interested in seeing (and, hopefully, buying) the work of some of our young jewellers and silversmiths should go along to Knowles-Brown, a family jeweller's at 27 Hampstead High Street, London NW3, where from Monday onwards the work of a small group of them will be exhibited until April 26.

The styles and materials vary enormously but photographed left is the work of just one of them, Sarah Jones. She trained on the ground, so to speak, by working with another silversmith and now she specialises in producing intricate little vases of flowers, made from silver and enamel, like this group of blackberries (£230).



HARVEST is one of the small but interesting shops that are contributing enormously to the charm of Covent Garden. It is to be found at 40 Tavistock Street, London, WC2, and it sees its main role as being the promotion and selling of British crafts of all sorts.

The shop seems on the occasions that I have visited to be most lively in the area of jewellery and pottery or ceramics and among the liveliest of the potters whose work they show are Jenny and Geoff Morten. The shop will be having a special exhibition of their work from April 17 to May 3.

Much of their work is laced with a goodly dose of humour and the Jack and Jill cheese dish, below, is a typical example of their talent. However humour is never allowed to interfere with function and all their tea-pots, cheese-dishes, storage jars, pie dishes work well too.

They produce mainly "one off" pieces though several of the themes, like Jack and Jill, City Gent, Farmer's Wife, recur in different ways.

They aim to bridge the gap between craft and industrial pottery by using their pots as prototypes for mass production and so enable their ideas to reach larger numbers of people. Some of their mass produced work goes all over the world.

Although the exhibition, which they call "Pulling Something Out of The Hat" doesn't open until April, the potters can be reached meantime at 159 Hamilton Road, West Norwood, London, SE27. Harvest, Liberty of Regent Street and Ideas of South Molton Street and Wigmore Street in London, always carry some of their work.

Some readers may remember my writing about the Prescote Gallery at Cropredy, near Banbury, Oxfordshire, when it opened nearly three years ago now. I explained then that the journey for those who lived far from Banbury was well worth the effort as it is one of the liveliest, most visually stimulating galleries that I know.

Mrs. Hartree feels strongly that she should provide the essential link between artists and patron (and hopes to persuade more and more businessmen to play that role) and in order to reach either more people or a different set of people she has brought Prescote to London. At The Warwick Arts Trust, 33 Warwick Square, London SW1 a wide selection of the work of over 70 craftsmen whom she admires can be seen.

There are pieces of furniture by our most distinguished wood craftsmen (including Edward Barnsley, Rupert Williamson and John Makepeace), mirrors, paper-knives, bookmarks, textiles (by people like Kaffe Fasset, Roger Oates and Peter Collingwood) and a large selection of work by fellows of Designer Bookbinders.

Mrs. Hartree describes the exhibition as a celebration "not necessarily of the work itself or the people who make it but of the fact that the work exists at all in 1980. When goods are made more cheaply and quickly by machines, or are readily available from third world workers, is it not strange that craftsmen should be enjoying a popularity and be looking forward to a more hopeful future than has been known for the past 100 years."

It is indeed cause for celebration and I urge readers to go along to The Warwick Arts Trust before the exhibition closes on March 30. It is open every day, including weekends, from 10 am to 5 pm.

Photographed, above, are two pieces of furniture from the exhibition. Left, a reclining chair by David Colwell made from a steam bent ash frame with a rattan back and seat (from about £160), or upholstered in a choice of tweed, linen or hide covering (from about £200) direct from Trannon Makers, Llawr-y-Glyn, Caersws, Powys, Wales or from the Prescote Gallery.

Right, a music stand to order in walnut, yew or cherry by Peter Kuh. It is adjustable vertically by means of a peg system and has proved extremely popular with musicians. Peter Kuh can supply it for £175 direct from Otterton Mill, Otterton, nr. Budleigh Salterton, Devon or from the Gallery.

Casual chic: white blouson in coated cotton/acrylic with plaid lining, about £65; straight jeans, about £18; by New Man to order from Bip, 69 Duke Street, W1; Stripes, Brighton; Marcus Price, Newcastle; Lucinda Byre, Liverpool; David Cressy-Hall, Huddersfield; Ger-Ralds, Glasgow

# Safely into spring

## FASHION

ARTHUR SANDLES

ALTHOUGH the troubles the big league clothing retailers are what catches the headlines these days, it is the fun end of the fashion business which is really catching a financial cold at the moment.

For many in the menswear trade this may be no bad thing—some very odd people made a lot of money in the days of impulse buying fashion madness. But there are many good designers and adventurous small retailers who now find themselves horribly squeezed. Rising costs, particularly of course the cost of financing stock, are hurting at a time when customers have less money and are in a cautious buying mood.

Spring clothing currently coming into the shops clearly reflects the way in which the trade is nervous of anything that smacks too much of innovation. No one is keen to launch off into some trend which will leave them with unsaleable stock at the season's end. There is not much cash fat about in the fashion business at the moment.

So, don't expect excitement in spring fashion shopping. The trade is trying to make a fuss about burgundy as a "new" colour, but the store buyers appear to have sensed that plain greys, simple tweed and classic pinstripes are what people are really going to be buying. In leisure wear there is a designer enthusiasm to get us into bright bold colours, but again the store buyers, and I suspect the consumers, are plumping for good old pastels.

Another unpleasant side-effect of the present state of the market is cost-cutting. Manufacturers and retailers are all having their margins squeezed at the moment and there is a risk that in some cases quality is suffering as a result. The plain fact is that the marketplace is in no fit state to withstand the 20-25 per cent price rises which would be the minimum necessary for many in the trade simply to stand still.

The message is clear enough—look twice if you are offered a bargain. The better stores are pushing the message of quality and durability, both of style and fabric, rather than price.

# THE ARTS

## Horse's mouth

BY ANTHONY CURTIS

Peter Shaffer is supposed to have said that *Equus* (Radio 4 UK, March 14) was a dangerous play to have put on in the English-speaking world. Asked why, he explained it was dangerous in England to show someone being cruel to horses, and dangerous in the United States to show someone being cruel to a psychiatrist. The sense of danger is in no way softened by performing the play on radio — as David Spenser's production in Hi-Fi Theatre demonstrated. It works just as well as it does on stage. It is after all a play where the main action occurs in the mind. Even though I can still remember the spectacular effects which John Dexter achieved on the stage of the Old Vic (that frieze of actors in equine masks made out of wire), I discovered that the horsey presences could be felt just as effectively in sound only, the distant clip-clop of hoof-beats to accompany the boy's divulging of his obsession, and a seething electronic signal for those awe-filled moments when he penetrates the sacred ground of the stables and is among his gods.

The manner in which the doctor begins to doubt the validity of the "cure" he is operating, at the same time as the full nature of the boy's trauma is elicited, might have been scripted with the requirements of radio in view. We witness an Agatha Christie-like process of detection in which everyone questioned, boy, parents, girlfriend, employer, is in part guilty, and in which the investigator is himself at risk. Short restrospective scenes cutting from past to present in which the various interlocking pieces of evidence are assembled culminating in the horrific midnight seduction scene with the horses breathing down the couple's necks fit ideally the attention-span of a radio listener.

Ian Sharrock gave us the complexity of the boy's temperament, cocky defiance at last giving way in grateful submission to Peter Barkworth's silken-voiced, self-mocking and self-doubting psychiatrist. The remainder of the small cast all responded well to his sense of bewilderment. Jane Wenham as the schoolmarm mother and Malcolm Hayes as the printer father both had just the right social gradation in the voice. They left us in no doubt as to the irreconcilable nature of their attitudes to their son's upbringing. And Jenny Twigge was so sympathetic as the stable-girl who tries to indoctrinate him in the pleasures of sex.

In the end Shaffer leaves you in absolutely no doubt as to what the moral issues are. When a novelist presents a rift between mother and son all may proceed by implication and even after the last page much may remain unsaid. This is the problem with *The Spoils of Poynton* (Radio 4 UK, March 15), the Saturday Night Theatre play dramatised by William Ash. James works well on television and in the cinema where a slow rhythm suited to his tortuous dialogue can be sustained and where facial expression and gesture can be used to make a subtle point. He is strangely intractable to radio. This production by Kay Patrick proved to be no exception in spite of people of the calibre of Maxine Audley and Maureen O'Brien as Mrs. Gareth and Fleda Vetch. We somehow never believed in the reality of the beautiful objects, nor in the maternal possessiveness that made Mrs. G. to go to such lengths to ensure that they remained in truly appreciative hands.

Two tribute programmes in honour of two highly controversial characters completed for me an enjoyable week's listening. They were for Walter Legge (Radio 3, March 16) and for Robert Atkins (Radio 4 UK, March 19). In both a rich gathering of colleagues and friends had been rounded up and recorded. Both contained much amusing anecdote and recollection. In both the subject of the programme was heard to remind us of his most famous work. We listened to a few minutes of Atkins as Caliban. We heard from recordings Legge made of his second wife Elizabeth Schwarzkopf. What finally emerged from both programmes was the unique contribution which these two men, neither of them universally popular, had made to the arts they served. Many well-known actors gave testimony of the training they had received at the Open Air Theatre in Regent's Park from Atkins. Many celebrated musicians spoke of Legge's revolutionary impact on the recording of serious music. It would be a pity if the impending axe were to fall heavily on programmes of this kind. They are among the best work that radio offers, and in a style unrivalled by any other medium.

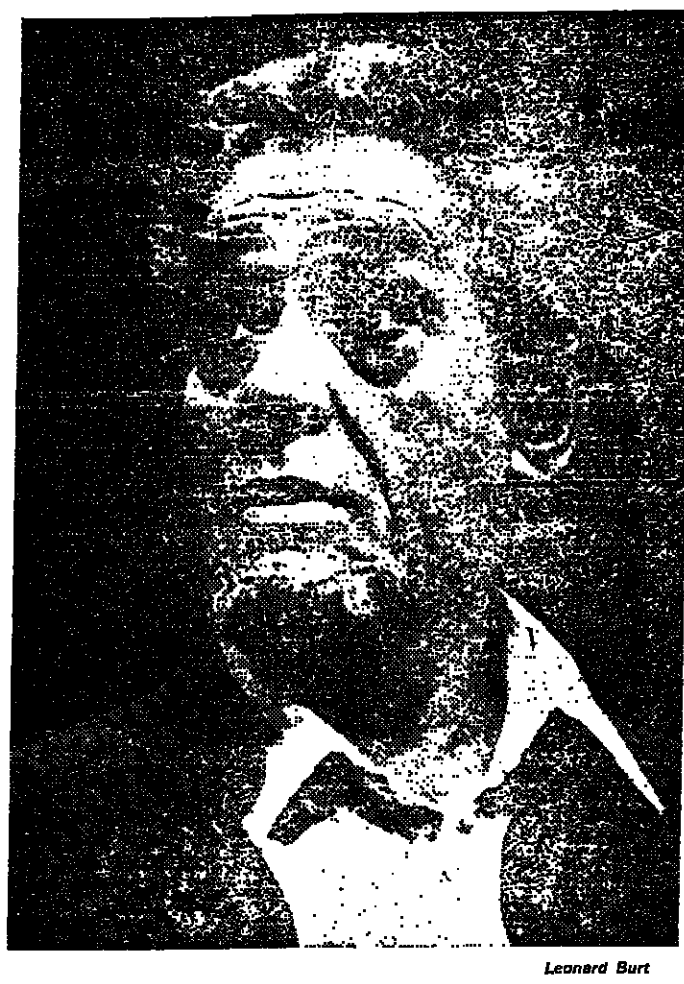
## Othello

BY B. A. YOUNG

Peter Hall gives us a stately Othello at the Olivier, though its duration of three hours 40 minutes can't all be attributed to his use of an unusually full text, clown, bagpipes, rhymed couplets and all. It uses the Olivier stage well — a rectangular acting area backed with a high square wall with a central door behind a handsome porch with a balcony on top of it, virtually, in fact, the Elizabethan scheme, though John Bury, the designer, elaborates it by shining projections on to the backscreen that help locate the scenes. Only the inner stage is missing, but its loss for Othello's ops room and Desdemona's bedroom is not very important.

Paul Scofield's Othello is oddly recessive in spite of its loudness. Iago takes the lead almost throughout; even at the end, where he barks "Demand me nothing what you know you know," Othello has his back to the audience. Like Donald Sinden at Stratford last year, Mr. Scofield essays a speech that distinguishes him from the Venetians but doesn't sound black. Mr. Sinden went for the precise enunciation of an African prime minister, but Mr. Scofield's sound is as imaginary as the swoops and turns of Robert Stephen's Atahuallpa. Spoken in a deep bass register, it only occasionally follows the natural music of the words. Also like Mr. Sinden, Mr. Scofield goes for a tan rather than a black face: truly a Moor, no doubt, but not a "thick-lips."

Michael Bryant's Iago, on the other hand, glitters always at the forefront of events, constantly coming right downstage to fire his thoughts between our eyes. He is a slight, grey-haired, balding senior warrant-officer, looking in fact very like Malcolm Muggeridge (and much more than his avowed 28 years). He begins at once with a sneer at the absent Moor, but a moment later fawns on him as he changes sides in the rioting at Brabantio's house. The widespread disloyalties are subtly suggested; see how his hand steals to the handkerchief concealed under his coat as he turns back towards Othello after resigning his office. It is easy to see how such a simpleton as Michal Gambon's Roderigo (admirably played) can be made to believe every word he is told.



Leonard Burt

Paul Scofield

Desdemona too, a young aristocrat whose tears become her better than her leaving her house-affairs to hear tales about the Anthropophagi—this is a lady in Felicity Kendal's playing more likely to elope with the Moor out of subjection to his animal magnetism than from any desire to join him in his martial adventures, whatever she says. She is infinitely touching on her deathbed, obedient to Othello to the very moment when he puts a pillow over her face to stifle her, moving still at those magical lines, "Nobody. I myself."

She is well attended by Yvonne Bryceland's Emilia — someone who would have enjoyed the Anthropophagi and men whose heads do grow beneath their shoulders as well as Mary Kingsley (who fought off Nigerian crocodiles by hitting them on the nose with a canoe paddle), but who is capable of extreme tenderness when called for. Her only uncharacteristic gesture is to pick up Desdemona's handkerchief, so obviously dropped at her feet, without offering it back to her.

Stephen Moore is an honourable Cassio who maintains a modicum of dignity in his cups and seems a reasonable choice as Othello's successor as commander in Cyprus. Even his discourtesies to the importunate Bianca (Penelope Wilton under a layer of rouge) are delivered with reasonable courtesy. Among the smaller parts I specially admired Nicholas Selby as Lodovico and Mark Dignam as the Duke.

It may be that the somewhat ponderous pace will speed up a little after a bit, as happened with *As You Like It*. If not, it is as well to reconcile oneself to a late night home. Peter Hall is merciless to his audiences in these matters (who can forget the four and a half hours of the David Warner *Hamlet*?) and it would be a pity to alter any detail in this important production.

## Viaduct

BY MICHAEL COVENEY

THERE are two main schools of playwriting on the fringe: the school of public aspiration (I hesitate to call it the public school) with a social panorama and aspirations to large statement. This school has its modern reason for existence but is in some respects the legacy of Galsworthy and Granville Barker. The private school may have things to say about society but is essentially miniaturist, confined to small stages and, these days, presented with a fine degree of technical perfection. This latter category includes the work of Paul Copley, whose Viaduct at the Bush Theatre is confidently set in a well observed milieu underneath the arches of an old viaduct in the West Riding.

As in his first play, Pillion, Mr. Copley offers a lament for old values. We have the figure of a recalcitrant old man tucked away in an air raid shelter with memories of a lost opportunity to join the circus and a humble interest in building a slate wall of the type common in the district. He is visited by a young couple who have lately moved into a cottage down the road. The girl tries to communicate with the old man, bakes him an apple pie. Her husband, in a slick three-piece suit, has no kind words for tramps and is anxious to get off to Leeds to see his parents for lunch.

The fate of old Emmerson Mathers (Brian Hayes) is echoed in the character of Hedley Turner, an old school-friend of the girl who is devoid of social ambition and arrives after the interval to brick up the shelter at the behest of the local mill owners. His sensitivity about the past of the district, is relegated beneath his desire to earn some quick beer money.

Simon Stokes's patient production allows the play to breathe and establish its own rhythm and charm as we soak up the evocative realism of this strange situation beneath the echoing superstructure. Geoff Rose's design suggests vastness with minimal means, the feeling of a magnificent piece of industrial architecture gradually being overrun by rubble and straggling plant growths.

The old man is reported to have fallen off the viaduct. His wistfully cryptic confession scene is daringly illustrated by the juggling acrobat he admired, a beautiful young boy (Gary Shail) in a pierrot costume who comes on to jump around and, somewhat mysteriously, bare his bottom. It is a credit to the truth of Mr. Copley's writing that the play survives this intrusion. Annie Hulley and Ashley Barker are strong and well-contrasted as the married couple.

## Cummings String Trio

BY DAVID MURRAY

NOWADAYS a string trio is generally three-quarters of a string quartet. The trio repertoire is too slim to provide a reasonable variety of programmes for a permanent team, though there is a handful of masterpieces in it. The Cummings String Trio, who appeared on Thursday in the Purcel Room with Beethoven's Three Op. 9 trios sounded sometimes like three soloists, sometimes like three-quarters of a quartet—but the wrong three-quarters: a quartet without its leader. That was a drawback.

Beethoven's Op. 9 is tough, demanding and continiously interesting. It is no easy matter to fulfil the requirements of Classical harmony with only three strings and yet give the cello a full musical range beyond bass support. Rohan de Saram revelled in Beethoven's rich cello parts, bringing much easy authority to bear upon the music; on the viola, Luciano Iorio offered consistent poise and tact. The violinist, Diana Cummings, was no less sensitively committed, but she was distinctly less than *primus inter pares:* too many phrases merely pecked at, too little full-blooded legato, too little assurance up in the ledger lines.

Even without fully achieved ensemble, the performances were rewarding to hear—and how often does one hear any of the Op. 9 trios in concert? The G major, No. 1, was less confidently dealt with than its successors. There was both clarity and honest excitement in the second work, and considerable power in the last and most dramatic — though its presto finale wanted real brio, probably because the strain of living up to Beethoven's unkindly exposed writing had begun to tell. There was enough keen enterprise in all the playing to suggest that the Trio may come to give more collected accounts of these taxing works.

## American views in demand

An album with 73 photographs of the United States, dating from the 1870s, sold at Sotheby's Belgravia yesterday for £11,000 to the Washington dealer H. Lunn. It had been estimated to go for around £750 but the fact that some of the views were by the sought-after Californian photographer Carlton E. Watkins considerably increased its appeal.

A special presentation edition of 154 photographs of exhibits at the Great Exhibition of 1851 by Owen and Ferrier sold for £5,200 and two albums of photographs of Scotland by George Washington Wilson made £3,400. A carte de visite of Alice Liddell, of 1859, was acquired by her granddaughter for £800, and a portrait of Lewis Carroll by Oscar Rejlander made £1,400.

Christie's Continental picture sale totalled £275,580 with highest prices of £12,000 for a frozen canal scene in The Hague by Petrus Beretta and £10,000 for "Feeding the chickens" by Paul Keller-Reutlingen. In a musical instruments auction at Christie's an Italian violin of around 1690 by Gioffredo Cappa realised £13,000.

The first three days of a Robson Lowe stamp sale at Basle totalled £404,264. Three covers of 1854 from Lombardy-Venetia made £13,750; one was a first-day cover. At Bonhams a holosteric barometer by Urban Jurgensen was bought for £2,800.

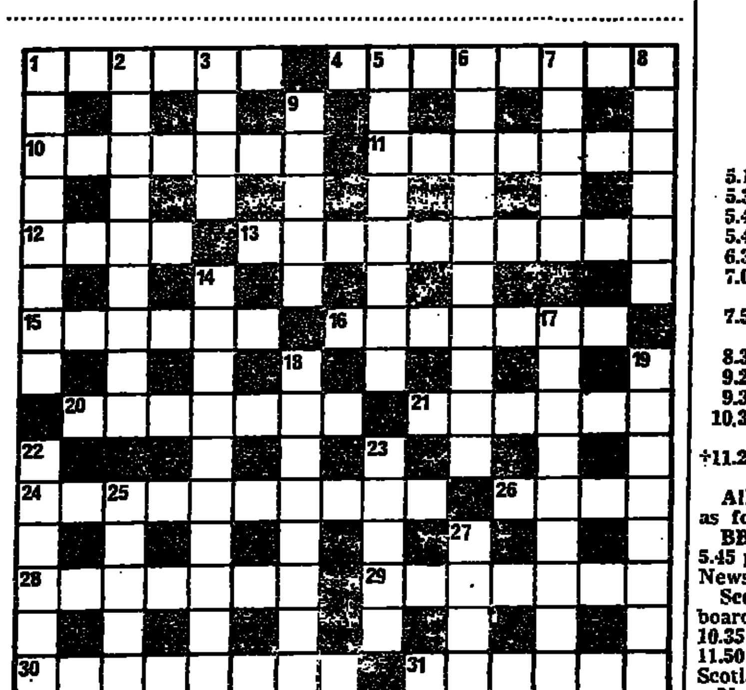
ANTONY THORNCROFT

## F.T. CROSSWORD PUZZLE No. 4,232

*A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.*

Name ..............................................

Address ..............................................



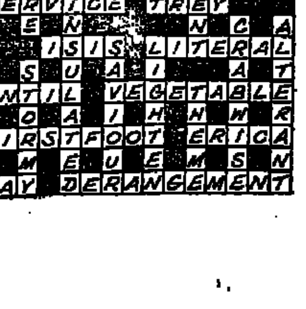
### ACROSS

1 A small door protected by the willow (6)
4 Brazen-faced M.P. upsets nude inside it (8)
10 Unauthorised release of information allowed for in the brewery (7)
11 Swan turns to song in the solar system (7)
12 Bird finds quarter in the beginning (4)
13 Grand weeks arranged botanically (3, 7)
15 Margosa stick for a hunter (6)
16 Irish police in additional dance (7)
20 A hot dog? (7)
21 Unconscious snake round the shelter (6)
24 Gary Dunlop changes for games (10)
26 Agree with rules of metre found in disc and tape (4)
28 I'm religious but irreverent (7)
29 Rosalind's lover (7)
30 What Ali claims to be, to the highest degree (8)
31 High bellow causes an outcry (6)

### DOWN

1 A word of praise—it is not rare (4, 4)
2 It's cleaner when lady president dispenses with one (9)
3 Finished up in the Netherlands (4)
5 He speaks no foreign language (8)
6 Not a crumb for the aristocracy (5, 5)
7 Escape from forensic lord among orientals (5)
8 Fly—the Roman is coming up round the group (6)
9 Goes up and down, but it's flat (5)
14 Quarrelling fellow gets at water craft (6, 4)
17 Getting louder by the score (9)
18 Giant company incurs damage with us (8)
19 A welcome sign lacking in security (4, 4)
22 It's bound to be in season (6)
23 Fillet a number in turf (5)
25 "A goodly —— rotten at the heart" (Merchant of Venice) (5)
27 Rebuke for friends making their way to the top (4)

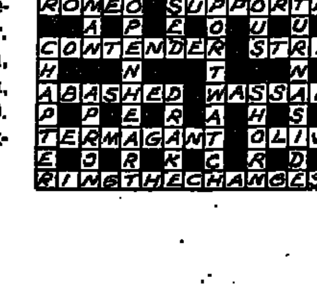
Solution to Puzzle No. 4,231



### SOLUTION AND WINNERS OF PUZZLE NO. 4,226

Following are the winners of last Saturday's prize puzzle.

Mr. W. S. Davin, "Horsebridge," Minsterley, Salop. Mr. F. C. Thornley, The Thatch, Rempstone, Loughborough, Leics. LE12 6RH. Mr. E. T. D. Lambert, Drumkeen, Carrickmines, Co. Dublin 18.



## TV Radio

† Indicates programmes in black and white

### BBC 1

9.05 am Gymnast. 9.30 Multi-coloured Swap Shop. 12.27 pm Weather.
12.30 Grandstand: Football Focus (12.35); Basketball (1.05) Rotary Watches National Championships Final; Badminton (1.30, 2.10, 2.40) John Player All-England Championships semi-finals; Racing from Newbury (1.50, 2.20, 2.55); Hockey (3.15) Rank Xerox International — England v Ireland; Rugby League (3.50) State Express Challenge Cup semi-final; 4.40 Final Score.
5.10 The Pink Panther Show.
5.30 News.
5.40 Sport/Regional News.
5.45 Wonder Woman.
6.30 Jim'll Fix It.
7.05 All Creatures Great and Small.
7.55 The Little and Large Show.
8.35 Dallas.
9.25 News.
9.35 Match of the Day.
10.35 Saturday Night at the Mill.
†11.25 Phil Silvers as Sergeant Bilko.

All Regions as BBC1 except as follows:

BBC CYMRU/WALES—5.40-5.45 pm Sports News Wales. 11.50 News and Weather for Wales.

Scotland—4.55-5.10 pm Scoreboard. 5.40-5.45 Scoreboard. 9.35-10.35 Sportscene. 11.50 News and Weather for Scotland.

Northern Ireland—5.00-5.10 pm Scoreboard. 5.40-5.45 Northern Ireland News. 11.50 News and Weather for Northern Ireland.

England—5.40-5.45 pm (South West only) Spotlight Sport

### BBC 2

7.40 am-1.55 pm Open University.
3.05 Chopsticks.
†3.30 Saturday Cinema: "Madame Bovary" starring Jennifer Jones and James Mason.
5.30 The Sky at Night.
5.45 Horizon.
6.35 Open Door.
7.05 News and Sport.
7.20 Joan Sutherland: The singer and husband Richard Bonynge in A Life on the Move.
8.15 Free to Choose.
9.35 Playhouse.
10.25 The Promised Land (film about Whitechapel).
11.25 Badminton: John Player All-England Championships semi-finals.
11.55 News On 2.
†12.00 Midnight Movie: Act of Violence starring Van Heflin.

BBC 2 Scotland Only—6.35-7.05 pm Liberal Party Conference 80 (Report).

### LONDON

8.40 am Sesame Street. 9.40 The Beachcombers. 10.05 Superman. 10.30 Tiswas.
12.30 pm World of Sport: 12.35 on the Ball; 1.00 International Sports Special (Part 1) Drag Racing from California; 1.15 News; 1.20 Australian Rules Football; 1.40, 2.15, 2.40 Racing from Doncaster (William Hill Lincoln Handicap); 2.25 Interview fith Alan Minter; 3.10 International Sports Special (Part 2) Speedway—Daily Express Spring Classic; 3.50 Half-time Soccer Round-up; 4.00 Wrestling; 4.50 Results Service.
5.05 News.
5.15 Dick Turpin.
5.45 Mind Your Language.
6.15 Stars in Action: "The Devil at 4 O'clock" starring Frank Sinatra and Spencer Tracy.
8.30 Enemy at the Door.
9.30 News.
9.45 Tales of the Unexpected.
10.15 Saturday Night Movie: "10 Rillington Place" starring Richard Attenborough, John Hurt and Judy Geeson.
12.15 am Close: Personal choice with Leslie Crowther.

All IBA Regions as London except at the following times:

### ANGLIA

9.40 am Tarzan. 5.45 pm Sale Of The Century. 6.15 Saturday Film: "Danger Has Two Faces." 8.00 Love Thy Neighbour. 10.15 Soap. 10.45 The Jazz Series with Annie Ross. 11.15 Pro-Celebrity Snooker. 12.00 At The End Of The Day.

### ATV

9.10 am A Better Read. 9.35 Catch '79. 10.00 Solo One. 5.15 Mork and Mindy. 5.45 Dick Turpin. 6.15 Saturday Cinema: "Women of Straw," starring Gina Lollobrigida, Sean Connery and Ralph Richardson. 10.15 The Late Night Movie: "The Burglars," starring Omar Sharif and Dyan Cannon.

### BORDER

9.10 am A Better Read. 9.35 Healthy Eating. 10.00 Friends of Man. 5.15 pm Mork and Mindy. 5.45 Dick Turpin. 6.15 Saturday Night at the Movies: "The Molly Maguires," starring Richard Harris, Sean Connery and Samantha Eggar. 10.15 Westside Medical. 11.15 Pro-Celebrity Darts.

### CHANNEL

5.14 pm Puffin's Pla(i)ce. 5.18 Talk of the Town. 5.45 Dick Turpin. 10.15 A Better Read. 10.45 Late Night Movie: "The Day of The Triffids."

### GRAMPIAN

9.30 am Sesame Street. 5.45 pm The Incredible Hulk followed by Highland League and Shinty Results. 6.45 The Saturday Western: "Warlock," starring Richard Widmark, Henry Fonda and Anthony Quinn. 10.15 Reflections. 10.20 Feature Film: "Nightmare." 11.40 Seachd Laithean. 11.55 The Odd Couple. 12.10 am Begula Baby.

### GRANADA

9.30 am A Better Read. 9.55 Larry the Lamb. 10.05 Fangface. 5.45 pm Chips. 6.45 Action and Adventure: "Far Side of the Sun." 10.15 Barney Miller. 10.45 Saturday Premiere: "Yellow Dog." 12.30 am Second City Revue.

### HTV

9.10 am Numbers at Work. 9.40 Divorce and After. 10.05 Beachcombers. 5.15 pm Happy Days. 5.45 Dick Turpin. 6.15 Saturday Cinema: "Woman of Straw." 10.15 The Late Film: "The Only Game In Town."

HTV Cymru/Wales—As HTV West/HTV General Service except: 5.15-5.45 pm Sion a Sian.

### SCOTTISH

9.10 am A Better Read. 9.35 Fantasy Island. 5.45 pm Chips. 6.45 How the West was Won: "Luke," starring James Arness. 10.15 The Jazz Series—George Chisholm and His Gentlemen of Jazz, with Carol Kidd 10.45 Late Call. 10.50 Soap. 11.20 Luke's Kingdom.

### SOUTHERN

8.45 am Talking Bikes. 9.10 Sesame Street. 10.02 Regional Weather Forecast. 10.05 Sam. 5.15 pm Happy Days. 5.45 Dick Turpin. 6.15 "I Love a Mystery," starring Ida Lupino. 8.00 Love Thy Neighbour. 10.15 Southern News. 10.20 "I Love My Wife," starring Elliott Gould.

### TYNE TEES

9.00 am Saturday Shake-Up. 9.05 Wonderwheels. 9.15 Saturday Shake-Up. 9.25 Space 1999. 10.20 Saturday Shake-Up. 10.40 The Saturday Movie: "Man From Atlantis: The Disappearances." 12.20 pm Saturday Shake Up. 5.15 Happy Days. 5.45 Dick Turpin. 10.15 Love Thy Neighbour. 10.35 The New Avengers. 11.45 England, Their England. 12.15 am The Sound of . . . New Seekers. 12.30 Epilogue.

### ULSTER

9.30 am A Better Read. 9.55 Larry the Lamb. 10.05 Fangface. 10.30 Salvage 1. 11.30 Sesame Street. 5.00 pm Sports Results. 5.15 Happy Days. 5.45 Dick Turpin. 9.44 Ulster Weather. 10.15 The Saturday Night Film.

### WESTWARD

9.20 am Look and See. 9.25 Sesame Street. 10.25 Gus Honeybun's Birthdays. 12.27 pm Westward News. 5.14 Westward News and Sports Results. 5.18 Talk of the Town (Bridport). 5.45 Dick Turpin. 10.15 Saturday Night in the West. 10.45 Late Night Movie: "The Day of the Triffids." 12.25 am Faith for Life. 12.30 West Country Weather.

### YORKSHIRE

9.00 am Rocket Robin Hood. 9.15 Beachcombers. 9.40 Space 1999. 5.15 pm Happy Days. 5.45 Dick Turpin. 10.15 The Saturday Night Film: "Man at the Top." 11.55 Barney Miller.

### RADIO 1

(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 7.00 News. 7.03 Playground. 8.00 Tony Blackburn with Junior Choice. 10.00 Peter Powell. 1.00 pm Adrian Juste (S). 2.00 Paul Gambaccini (S). 4.00 Rock On Saturday (S). 7.30 Steve Wright. 10.00 Al Matthews. 12.00-5.00 am As Radio 2.

### RADIO 2

5.00 am News Summary. 5.02 Tom Edwards (S). 8.03 Racing Bulletin. 8.06 David Jacobs with Star Sounds (S). 10.02 Pete Murray's Saturday Show (S). 1.02 pm The News Huddlines. 1.30-6.00 Sport On 2: Football Special (1.30, 1.50, 2.20, 3.00, 3.45, 4.42 and at 5.00, 5.45 classified check); Doncaster Racing (1.30, 2.10, 2.50, 4.50 and at 5.45 classified check); Badminton (1.30, 2.00, 2.30, 3.15, 4.50, 5.35) John Player All-England championships; Sports Report (5.00). 6.03 Europe 80. 7.02 Beat The Record. 7.30 Big Band Special (S). 8.02 Saturday Night is Gala Night (S). 10.02 Sentimental Journey (S). 11.02 Sports Desk. 11.10 Bob Kilbey with The Late Show (S), including 12.00 News. 2.02-6.00 am You And The Night And The Music (S).

### RADIO 3

‡7.55 am Weather. 8.00 News. 8.05 Welsh Symphony Orchestra (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Bandstand (S). 11.45 Diversions (S). 1.00 pm News. 1.05 Northern Sinfonia Orchestra (S). 2.00 Play It Again (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 Music For Cello And Piano (S). 7.30 "William Tell," opera by Rossini (S), Act 1. 8.35 Matthew Arnold, HMI (reading). 8.55 "William Tell," Act 2 (S). 9.40 Reflections On Iran (talk by Ian Grimble). 10.00 "William Tell," Acts 3 and 4 (S). 11.15 Scriabin and Beethoven piano recital (S). 11.55-12.00 News.

VHF only, 6.00-8.00 am Open University.

### RADIO 4

6.25 am Shipping forecast. 6.30 News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather; programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather; programme news. 8.00 News. 8.10 Sport On 4. 8.45 Today's Papers. 8.50 Yesterday in Parliament. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week In Westminster. 10.30 Daily Service. 10.45 Pick Of The Week. 11.35 International Assignment. 12.00 News. 12.02 pm Money Box. 12.27 The News Quiz (S). 12.55 Weather; programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping forecast. 2.00 News. 2.05 Wildlife. 2.30 Saturday-Afternoon Theatre. 3.25 Best of Fritz Spiegel. 3.30 Does He Take Sugar? 4.00 News. 4.02 Changing Places. 4.30 Time for Verse. 4.40 Choirs of Wales. 5.25 Week Ending. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.15 Desert Island Discs with Frances Perry. 6.55 Stop The Week with Robert Robinson. 7.35 Baker's Dozen (S). 8.30 Saturday-Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 Kaleidoscope. 11.00 Lighten Our Darkness. 11.15 Love . . . The Universal Migraine (S). 1.45 Signing On. 12.00 News.

## TV RATINGS w/e March 16

U.S. TOP TEN (Nielsen Ratings)

| | | | |
|---|---|---|---|
| 1 | 60 Minutes (news) | (CBS) | 28.8 |
| 2 | Dukes of Hazzard (comedy) | (CBS) | 26.9 |
| 3 | M.A.S.H. (comedy) | (CBS) | 26.9 |
| 4 | Alice (comedy) | (CBS) | 26.6 |
| 5 | Real People (series) | (NBC) | 26.5 |
| 6 | Dallas (drama) | (CBS) | 25.7 |
| 7 | Three's Company (comedy) | (ABC) | 24.9 |
| 8 | One Day at a Time (comedy) | (CBS) | 24.5 |
| 9 | Different Strokes (series) | (NBC) | 24.4 |
| 10 | That's Incredible (ser.) | (ABC) | 23.6 |

Due to technical difficulties, figures for the UK top 20 ratings, prepared by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR), are not available this week.

### CHESS SOLUTIONS

**Solution to Position No. 312**

1...P-K5 ch! wins. If 2 KxB. P-N7; 3 R-QB8 (hoping for PXQ? 4 R-N8 ch), K-R2; 4 P-N7, R-QN8; 5 R-B7 ch, K-R3! and queens. White tried instead 2 K-N2 but resigned after 2...RxP ch; 3 K-N1, BxR.

**Solution to Problem No. 312**

1 R-Q6 (threat 2 R-QN3), R-B3 ch; 2 RxR, or if KxP; 2 R-QB6, or if N-B6; 2 R-Q4, or if BxNP; 2 R-QB3, or if P-B6; 2 Q-R4, or if BxKP; 2 R-Q1.

# COLLECTING

## The piano restored

BY JANET MARSH

Rare pianoforte by William Southwell, Dublin

IN THE West End saleroom, "musical instruments" generally used to mean the violin family, with only an occasional scattering of exceptional wind and early keyboard instruments. Old pianos rarely featured, but were usually left to junk furniture auctions and the fate—for square pianos at least—of being eviscerated and turned into dressing tables and writing desks.

The problem with early pianos is that they do not survive well. However fine the cabinet making, the working parts tend to suffer with time. Wooden frames inevitably twist under the tension of the strings: they are hard to keep in tune. They can be restored of course: but the cost of proper restoration (as distinct from the amateur botching that has ruined many a fine old instrument) is often out of proportion to the eventual resale value of the instrument. Buying an antique piano can be a daunting and discouraging affair.

Today however attitudes to antique pianos have changed somewhat, largely due to modern interest in hearing music played on the instruments for which it was originally intended.

The restrained and singing tones of a Viennese 18th century piano are infinitely better suited, for instance, to the performance of Mozart than either the more sonorous English instruments of the period, or modern pianos whose volume must be scaled down to the music. Clementi and Liszt played upon and composed for instruments of totally different technical and musical character.

This week Sotheby's held perhaps the most notable sale to date of historic pianos—a dozen of the 27 instruments on sale came from the collection of John Broadwood and Sons.

Historically the most important of these was an instrument by Johannes Zumpe, who is reckoned the first piano maker in this country. Not only is this the earliest of Zumpe's pianos at present known—it is dated 1766—but for part of its compass it is enharmonic, that is, the sharp and the flat of successive notes are separate and distinctive, and not the single compromise note with which the player must be satisfied on even the most sophisticated modern pianos.

Piano manufacture was remarkably tardy in this country, where makers remained loyal to the older keyboard instruments like the harpsichord and spinet for more than 50 years after the invention of the piano by Bartolomeo Christofori in Florence in 1709. By 1826 Christofori had arrived at all the essentials of the modern piano.

Piano making was finally brought to England in 1760 when a dozen German musical instrument makers whose trade had been ruined by the Seven Years War arrived in London in search of work. Their success in converting the conservative British to the piano earned them the title of "The Twelve Disciples." Zumpe (or Zumpé) was one of the 12, and took a job in the factory of the greatest harpsichord maker of the day in England, the Swiss Burkhardt Tschudi, whose name was anglicised to Burkat Shudi.

Shudi was to father one of the great pianoforte dynasties: in 1751 he engaged a young Scottish apprentice, John Broadwood, who later married Shudi's daughter and became his partner and successor.

Shudi had evidently a keen eye for a good workman. Another of his one-time employees, Jacob Kirkman—whose firm was also represented in the Broadwood collection—was reckoned in his younger days to have saved the harpsichord from total extinction. The guitar had become so fashionable as quite to oust the keyboard instruments. Kirkham had the bright idea of buying up a large quantity of guitars and then giving them, along with free lessons, to selected shop girls and street ballad singers. As they strolled and strummed in the London streets, the guitar rapidly went out of vogue with the smarter set, and so the harpsichord was reinstated.

Performers of the Georgian period were often involved in the manufacture of instruments. Muzio Clementi, for instance, who had been brought to England in 1770 as a musical prodigy, "The Young Roman," went into partnership in 1800 with Frederick Collard, taking over the pioneering firm of Longman and Lakey. Clementi employed the young Irish virtuoso and composer John Field to demonstrate instruments in his London showroom. It was rumoured that the older man's jealousy of his employee's prowess led him to post Field to St. Petersburg where, without a word of Russian, he was to spend much of the rest of his life.

Another notable piano in the Broadwood collection, made by John Isaac Hawkins, in 1803, is reckoned the earliest English "upright," an improvement which Hawkins had patented in 1800 when working in Philadelphia. The piano is also an early instance of the use of a metal frame to obviate the danger of warping; and is an exceptional demonstration of the cabinet maker's craft. When closed, the instrument looks like an elegant chiffonier in the "Grecian" taste.

The nineteenth century was the true Age of the Piano. By mid century every respectable household had to possess an instrument; the well-to-do changed their models as we change our cars today. By the 1880s London had 200 manufacturers and an annual output of 35,000 instruments; while France was turning out 20,000, America 25,000 and Germany 73,000 pianos a year. Very few of the survivors of this Great Piano Age, the would-be investor should be warned, have as yet acquired any substantial commercial value.

# COOKERY

## Beautiful soup . . . and where the stockpot cook scores

BY JULIE HAMILTON

SOUP-MAKING divides the cooks into stock-pot creators and stock-cube users. I must confess to admiration for the permanent stock-pot cook. I have been one but I have never been able to keep it up. Just when I most need a stock pot I am without it and have to revert to the cube. Not that family or friends ever spot the difference, so I continue with the cube until conscience tells me that, since I cook for a large family, it would be prudent to have a stock pot. And start again.

In my opinion the finest soups are made by Victor Sassi in his Hungarian restaurant, The Gay Hussar, in Soho. Indeed, I am inclined to think that Hungarian soups are the best in the world.

The recipes which follow are my own creations but under the Hungarian influence. With the exception of the fish and cauliflower soup they can all be made in less than an hour.

### CAULIFLOWER AND FISH SOUP—serves 6

**1½ lb coley or cod or haddock; 1 large cauliflower; 1 onion finely sliced; 2 or 3 sticks celery, finely chopped; 1½ pints water; 2 oz butter; juice of half a lemon; ¼ pint dry white wine; bay leaf; 8 oz sour cream; 1 teaspoon sweet paprika powder; plenty of freshly ground black pepper; finely chopped chives or parsley for garnishing**

Bone and skin the fish (removing the skin is much easier if boiling water is poured over it first). Cut the fish into finger-size strips, put half of it in a dish and sprinkle generously with salt and lemon juice.

Sauté in butter the onions, celery and three-quarters of the cauliflower which you have broken up into florets. Add the half of the fish that is not soaking in the lemon juice. Pour in approximately 1½ pints of water. Season generously with black pepper, salt and the bay leaf.

Cook until the vegetables are soft then, having removed the bay leaf, put through a sieve (or put in a blender and then through a sieve). Place the remaining fish and cauliflower in a saucepan and pour over the now puréed fish and vegetables. Add the wine. Bring to boiling point and simmer very gently for not more than 20 minutes. Warm a soup tureen, tip into it the sour cream mixed with the paprika powder and pour the soup on top. Stir gently but thoroughly, adjust seasoning, serve garnished with a sprinkling of chopped chives or parsely.

### PARSNIP AND ORANGE SOUP—serves 4

**¾ lb parsnips; 1 small onion; 1½ oz butter; finely grated rind of half an orange; juice of one whole orange; 1 pint clear veal or chicken stock; salt and pepper**

Slice the onion finely, cut the parsnips into small pieces (if you have a Magimix or other food processor use the chipper disc, which is ideal). Sauté the onion and parsnips in the butter, add the orange rind, the stock and the orange juice. Season with salt and pepper and cook gently until the parsnips are soft. Put in a liquidiser, then pass through a sieve. Reheat and serve.

### LIGHTLY CURRIED PARSNIP SOUP—serves 4

**¾ lb parsnips; 2 oz fatty bacon, finely minced; 1 scant teaspoon curry powder; ½ teaspoon brown sugar; 1 pint clear chicken stock; 5 oz cream or soured cream**

Fry the minced bacon until crisp. Chop the parsnips into small pieces and fry them with the bacon. Add the curry powder and sugar, stir and add the stock. Cook for approximately 20 minutes or until the parsnips are soft. Liquidise and pass through a sieve. Add the cream, reheat, adjust seasoning and serve.

### BRUSSELS SPROUTS SOUP—serves 6

**1½ lbs Brussels sprouts; 3 oz fatty bacon, finely minced; 2 pints stock (chicken or veal); 6 peppercorns; 1 dessertspoon white wine vinegar; 1 pinch dried rosemary; salt and pepper to season: parmesan cheese**

Fry the finely minced bacon until crisp, then sauté the sprouts in it, add the peppercorns, rosemary and stock. Bring to the boil and cook gently for approximately 15 minutes. Liquidise and pass through a sieve. Return to saucepan and add the vinegar. Taste and adjust seasoning. Serve with a sprinkling of parmesan cheese.

## BRIDGE

E. P. C. COTTER

THE ANNUAL bridge match for the Guardian Trophy between the Lords and Commons, which took place at the Inn on the Park, was as usual a most enjoyable occasion. The Lords, the ante-post favourites, duly won by some 1,000 points over the 24 deals.

The Lords started off by winning the first rubber in three hands. This was the first hand dealt by East:

N
♠ K J 5
♡ Q 9 3
◇ Q J 9 3 2
♣ 9 5

W
♠ Q 9
♡ J 10 6
◇ K 10 7
♣ A J 7 3 2

E
♠ 10 6 4 3 2
♡ 7 4
◇ A 8 4
♣ 10 8 4

S
♠ A 8 7
♡ A K 8 5 3
◇ 6 5
♣ K Q 6

With the Lords North-South the bidding was short and sweet. After a pass from the dealer South bid one heart, West said two clubs, North raised hearts, and South said four hearts, making 10 tricks.

In the other room the Commons allowed themselves to be talked out of game. South again opened with one heart, but Harold Lever, sitting West, doubled, North passed, and East took out with one spade. South now passed, and West, feeling that the opponents had the balance of the cards, bid two spades, and there the bidding ended. Hearts were led, and the declarer went down three, mercifully undoubled. North should certainly take some action over West's double—probably two hearts is as good as anything, and to be preferred to a redouble. So at the end of three hands the Lords were over 800 points to the good, which represented most of their final winning margin.

After South's opening bid of one heart West should pass—the overcall of two clubs can easily be severely penalised. In the other room the take-out double with only a doubleton spade is hardly to be recommended, but it was, of course, part of the psychological warfare by which Harold Lever hoped to confuse his opponents.

There was a grandstand finish to the match. The last hand was dealt by East with both sides vulnerable:

N
♠ A K
♡ A 9
◇ K 7 5 4 3
♣ A Q 6 3

W
♠ J 6 4 3 2
♡ Q 8 6
◇ Q 9
♣ J 5 2

E
♠ Q 5
♡ 10 7 4 3
◇ A 8 6 2
♣ 8 7 4

S
♠ 10 9 8 7
♡ K J 5 2
◇ J 10
♣ K 10 9

For the Lords after three passes North bid one diamond, South replied with one no trump, and was raised to three no trumps. West led a spade to the King, and the declarer played very well in returning a low diamond from the table. West won, and continued spades, dummy's Ace won, and another diamond was led to the Knave. Now the contract was on ice. All the declarer had to do to ensure his game was to set up another spade trick by leading his ten.

In the other room the Commons knew that bidding game was not enough—they needed a slam. Again North opened with one diamond, South said one heart, and North rebid three clubs, South raised to four, and North went to six clubs.

East led the five of spades, on which West wrongly played the Knave, and the King won. Now aux cartes ouvertes the slam is makeable. The declarer cashes his spade Ace and the Ace and King of hearts, ruffs a heart in hand, and draws three rounds of trumps, finishing on the table. He makes his heart Knave and two spades, and plays West for the diamond Queen.

However, the declarer could not read the position, tried to ruff a diamond on the table, and was overruffed.

## CHESS

LEONARD BARDEN

Last month's City of London congress, staged at City University, attracted over 750 entrants and was fresh evidence of the many active chessplayers in the capital. Added to the well-established events at Islington, Sutton, Charlton, Ilford, Evening Standard, Enfield, Lloyds Bank, Harrow and Lambeth, it makes for a thriving circuit which no other city in international chess can match. There is at present no London individual championship and I should like to see an enterprising sponsor set up a Grand Prix type final including the winners of these opens plus London grandmasters and masters.

The final round at City of London illustrated the style and approach which brings success in weekend events. In the circumstances of a decisive match or tournament game it pays to opt for a reliable opening system known from previous experience rather than go for an attractive but unclear tactical plan. Last round jitters can affect the most hardened campaigner but are less likely to cause blunders in a calm strategic position. Under circumstances of tension, judgment is more reliable than accuracy of calculation.

At the start of the final game, Murray Chandler of New Zealand and Craig Pritchett of Scotland, both international masters, shared the lead after winning four each and drawing with each other. Pritchett was paired with an opponent he had met only a few weeks before in the Middlesex League. Normal policy in that situation is to vary the opening rather than risk a surprise improvement, but the IM decided to repeat his earlier plan since it was based on solid, initiative chess. The result proved him right. Black never escapes the bind on his position, while White steadily builds up pressure. Pritchett won comfortably, and he and Chandler shared first prize.

White: C. W. Pritchett (Scotland). Black: C. M. Cooley (Central YMCA). French Defence (City of London 1980).

1 P-K4, P-K3; 2 P-Q4, P-Q4; 3 N-QB3, B-N5; 4 P-K5, Q-Q2. Black intends P-QN3 and B-R3 to exchange light-squared bishops, but the immediate 4 . . . P-QN3 allows 5 Q-N4, B-B1; 6 N-R3! when Tal Karner, Tallinn 1979, continued in White's favour 6 . . . B-R3; 7 N-QN5, Q-Q2; 8 P-QR4, N-K2; 9 N-B4, N-N3; 10 N-R5, R-N1; 11 B-R6! After the text, 5 Q-N4 is harmless due to 5 . . . P-KB4.

5 KN-K2 (to avoid doubled QBPs), P-QN3; 6 P-QR3, B-B1.

In the earlier league game Black chose 6 . . . BxN ch, but then 7 NxB, N-K2; 8 Q-N4, 0-0; 9 P-KR4 gave White a strong attack.

7 P-KN3, B-N2; 8 B-N2, P-QB4?

This proves loosening. Once Black has decided on early QB development, it is normal to delay the QBP's advance in favour of N-QB3, 0-0-0, and king's side development.

9 0-0, N-QB3; 10 R-K1, KN-K2; 11 PxP, PxP, 12 N-B4! N-Q5. The flaw in Black's plan is that the natural N-B4 allows 13 QNxP! PxN; 14 P-K6 with a strong attack prepared by 10 R-K1. To avoid this Black is forced into artificial knight manoeuvres which give White control on both wings.

13 P-QN4! PxP; 14 PxP, N-N4; 15 N-R4, N-B1; 16 N-Q3, N-N3; 17 N(R4)-B5, Q-B1; 18 Q-N4, B-B3; 19 P-R4, N-B2; 20 P-R5, P-KR3; 21 B-K3, B-N4; 22 B-Q4, B-B5; 23 R-R5.

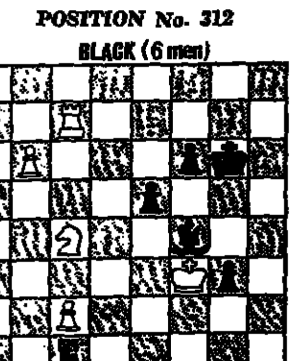
With the central dark squares firmly in possession, White goes for the weak QRP.

23 . . . N-N4; 24 B-K3, QBxN; 25 BxB, N-B2; 26 KR-R1, Q-N1; 27 B-B3, N-Q2 (losing at once, but B-Q1-R4-B6 is hard to meet); 28 NxN, KxN; 29 P-N5, P-R3; 30 P-N6, Resigns.

A game easy to understand but instructive in its approach.

POSITION No. 312

BLACK (6 men)

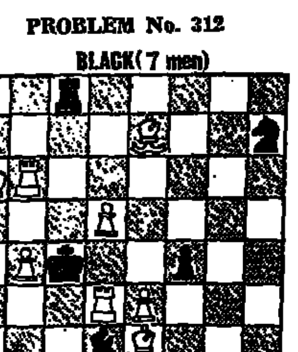


WHITE (5 men)

C. Cuartas v. M. Chandler, City of London Open 1980. This knight pawn race between the leading masters of Colombia and New Zealand helped to settle first prize. What should Black (to move) play next, and how should the game go?

PROBLEM No. 312

BLACK (7 men)



WHITE (11 men)

White mates in two moves, against any defence (by A. van der Ven). This has proved a difficult problem for many in the past, with solving times reported of an hour or longer.

Solutions Page 14



## LEGAL NOTICE

THE COMPANIES ACT 1948

J. E. SANGER LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 293 of the Companies Act 1948, that a Meeting of the Creditors of the above-named Company will be held at The Chartered Insurance Institute, Aldermanbury, London EC2, on Monday, the 31st day of March 1980, at 11.30 a.m., for the purposes mentioned in sections 294 and 295 of the said Act.

Dated the 14th day of March 1980.

By Order of the Board.

JOHN SANGER, Secretary.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871, 883897
Telephone: 01-248 8000

Saturday March 22 1980

# A chilly time ahead

THE COUNTRY is looking forward to Sir Geoffrey Howe's second Budget without any of the pleasurable anticipation which preceded his first. Things have changed sharply for the worse, at home and still more abroad, since May, and everyone is braced for yet another dose of austerity. Forecasts vary from a pretty gloomy monetarist outlook from the London Business School to downright alarm from some of the private users of the Treasury model: everything is slowing down except inflation.

To judge from the general tone of comment, 1980 in isolation is almost too horrible to contemplate.

It is true that there are one or two grounds for modifying this despair. Recent projections of public sector borrowing have suggested that the task of achieving a better balance between *fiscal and monetary objectives is not as* forbidding as was thought a few weeks ago. The trade figures this week were bad, but they do show continued strength in exports—confirming again that the spearhead of British industry, that part involved in export markets, is a great deal closer to international standards of efficiency than the deplorable average.

It is also a little paradoxical to pin great weight on economic forecasts at a time when they have proved more than ever unreliable, and now vary wildly. All the experience of recent years suggests that stagflation, while it is an obstinate plague, does permit a sluggish momentum in the economy which responds very little to attempts at management.

### Wage claims

All the same, 1980 remains a forbidding prospect on any reading of the omens. The Governor of the Bank of England pointed to our central domestic trouble when he said that excessive wage settlements have enormously worsened our prospects. The failure of both sides of industry to take any notice of a determined monetary policy has done much to produce the present situation of high inflation, high interest rates and profit margins which inflation accounting would reveal as not merely inadequate, but very often negative. The Government's own *failure to make its fiscal* policy fit its monetary targets has done the rest.

This has led some monetarists—including, it is reported, Professor Friedman, whose views will be stated on television tonight—to say that the monetary target itself is excessively tight; but unfortunately history cannot be rewritten. To yield now to the pressures which have arisen because monetary targets have been ignored would be to destroy their credibility for the future. Unhappily we have to start from here.

It is when we look beyond the next boggy stretch of going that we can see a prospect which may give us the hope to persevere. The enormous rise in oil revenues which will begin in 1981-82, and gather pace subsequently, will transform the job of Budget-making from a choice of evils to a choice of benefits. Cutting the borrowing requirement will correct the balance of payments and revive the capital markets; cutting taxes will revive incentive. We will be able to afford both. This is when the real North Sea benefit will begin.

### Contrast

However, if our own prospects will be more summery soon, the same cannot be said for countries which have not shared our good fortune—*which means the rest of the* world, with the single exception of Mexico. The Carter measures, designed at long last to check the runaway expansion of dollar credit, have inspired widespread fears of general recession, shot through with nastier possibilities, including protectionism and financing crises in the third world.

Is it possible for Britain to prosper in an unprosperous world? The contrast is unlikely to be as great as it seems. If indeed there is a general recession, the real price of oil—and with it, our own oil revenues—will probably fall, as it did as a result of the 1975 recession: but at the same time, a drop would relieve some of the severest pressures affecting the weakest countries. But on any likely scenario, our medium-term prospects are better than average.

The question for the markets is how far the good prospect over the horizon will influence the gloomy outlook immediately ahead. There is no doubt that for the time being high inflation and high interest rates will persist, both here and overseas. In Britain the prospect is somewhat complicated by the changes in monetary control tentatively announced this week. This will involve among other things the end of the banking "corset," and an uncomfortable period while all the credit driven outside the banking system reappears in the monetary statistics, with the result that it will require extra effort to remain within the monetary targets.

The fiscal balance, the tone, and the social acceptability of next week's Budget will determine whether the market can look beyond these local difficulties, or whether the prospect of monetary strain and labour protest prolongs the chill for some time yet.

# The Budget: Sir Geoffrey has little room for manoeuvre

BY PETER RIDDELL, Economics Correspondent

SIR GEOFFREY HOWE's second Budget next Wednesday will be very different from his first nine months ago. Last June, with a big election victory only six weeks before, he felt free to be bold and to implement a large number of Tory manifesto commitments, setting economic policy on a new course and changing the balance of taxation.

But now, Sir Geoffrey has much less freedom of manoeuvre, partly as a direct result of his earlier actions. The Conservative economic strategy with its emphasis upon restoring incentives and reducing the role of the state was always bound to take time to show any positive results. But even on its own terms the results so far have been painful and, in many respects, disappointing.

Moreover, the June Budget looked risky at the time. It depended for its success upon favourable fiscal and monetary developments and upon a favourable response from pay bargainers to the switch from direct to indirect taxation. In the event, however, public sector borrowing was high at a time when bank lending to industry was also buoyant and the result was an acceleration in the rate of monetary growth.

At the same time, the response to the 4 per cent increase in retail prices caused by the Budget was a corresponding increase in inflationary expectations and in the size of pay claims.

While the consequent rises in the rates of pay and price inflation have built up steadily since the summer, the monetary pressures had an immediate result. In mid-November, Minimum Lending Rate, which had already been raised from 12 to 14 per cent in June was increased by a further three points to a record 17 per cent.

This is likely to be regarded as a key event in the Government's history. Up till then, ministers had argued that the harsh measures taken in June—higher MLR and VAT and the cancellation of some Labour spending plans—would take time to take effect but further unpleasant medicine should not be necessary.

But the mood changed after the rise in MLR in November. Tory backbenchers, who had been wholehearted supporters of the June measures, publicly questioned whether the balance of economic policy was right if it meant nominal interest rates at this level.

These complaints led to an immediate reassessment within the Government, especially as Mrs. Thatcher, like other Prime Ministers, has been particularly *sensitive about the mortgage rate.* While some minister,s privately, and a handful of Tory MPs, publicly, have questioned the basic strategy of relying upon a tight monetary policy to reduce the inflation rate, this policy remains unshaken with the Prime Minister supporting the Treasury team. What has changed, however, is the recognition that further measures may be necessary to make this policy work.

## BUDGET READY-RECKONER

| | Present Amount/Rate | Full year effect at 1979-80 incomes /prices £m |
|---|---|---|
| **Income Tax** | | |
| —change single person's allowance by £10 | £1,165 | 37 |
| —change married allowance by £10 | £1,815 | 34 |
| —change lower rate by 1p | 25p on £750 | 180 |
| —change basic rate by 1p | 30p on next £9,250 | 495 |
| **Corporation Tax** | | |
| —change main rate by one percentage point | 52 per cent | 85 |
| **National Insurance Surcharge** | | |
| —change rate by one percentage point | 3½ per cent | 650 |
| **Indirect Taxes** | | |
| —beer, 1p a pint change in duty | 7½p a pint plus VAT | 105 |
| —wine, 1p change on glass in pub | from 50p a bottle plus VAT | 35 |
| —tobacco, 1p change on average packet of 20 cigarettes | £11.77 per 1,000 plus 21 per cent of price plus VAT | 15 |
| —petrol, 2p change in duty on gallon | 36.82p per gallon plus VAT | 100 |
| —Value Added Tax, change rate by one percentage point | 15 per cent | 530 |

Source: Treasury

Indeed, Sir Geoffrey has made no secret of his determination to avoid ever again having to announce an increase in MLR. This has become almost the *main objective of his Budget.* Consequently, from November onwards the Government has been determined to adjust fiscal policy to permit a reduction in interest rates as soon as is compatible with the objective of reducing the rate of monetary growth.

## Fiscal policy emphasis

Meanwhile, the main emphasis of fiscal policy is upon the public sector borrowing requirement—broadly the difference between revenue and spending—as one of the main influences upon the money supply. The main ministerial interest in the Treasury forecasts of the level of economic activity is in how they affect the borrowing projections. Both last November and now, the politicians have regarded the first projections from the Treasury computer as too pessimistic and they have been toned down.

There is intense controversy among economists about the significance of the borrowing figures. Some commentators have urged adjustments to take account both of inflation and of changes in the economic cycle since a recession normally boosts borrowing by cutting revenue and raising spending on unemployment benefits. The Government's view has been that "over time" public sector *borrowing should decline as a* proportion of national output, as it has done in recent years.

In a speech in January, Mr. Nigel Lawson, the Financial Secretary to the Treasury, suggested that, after taking together the cyclical influences and the medium-term objective, there might be a stepped profile in which borrowing was broadly unchanged as a proportion of Gross Domestic Product in recession years but fell fairly sharply in other years. This was taken at the time to imply a borrowing ceiling in current prices of between £9bn and £10bn in 1980-81 compared with *an original target of £8.3bn in* the current financial year and a possible outcome of nearer £9bn.

However, about a month ago, it became clear that the Government wished to go further and actually to reduce borrowing in current prices below the expected level for 1979-80. The likely target is probably nearer £8bn than £9bn

This target has, however, to be set alongside projections that borrowing could rise to between £10bn and £10.5bn in 1980-81 on the basis of current policies. This is on the conventional assumption that both income tax allowances and customs and excise duties are increased in line with last year's inflation rate.

But from November onwards the Government started to try to reduce this figure. Much of the criticism after the MLR rise had been directed at the public spending White Paper produced earlier that month which showed that while projected spending in 1980-81 would be £3.5bn less than proposed by Labour, it would be little changed compared with 1979-80. Consequently in response to backbench criticism and at the urging of the Treasury the Cabinet decided to re-open the White Paper.

After the familiar wrangling between the Treasury and spending ministers the result seems to have been cuts in the volume of spending of between £700m and £800m in 1980-81, mainly on the housing and social security budgets. The reductions are likely to be more than £1.5bn below current levels between 1981 and 1984.

In addition, the Government has deliberately set cash limits on spending by the public sector at below the expected rate of inflation. While some analysts are sceptical about whether such savings are achievable in practice after the squeezes of recent years it is likely that the Budget documents will assume savings of around £1bn.

Apart from these policy changes of £1.7bn, Treasury estimates of revenue have been revised upwards to take account of the impact of the higher oil price on Petroleum Revenue Tax and of the acceleration in earnings growth upon income tax revenue.

The result is that the borrowing projection on unchanged policies (and assuming index-linking of direct and indirect taxes) has been cut to about £8¼bn. This indicates that Sir Geoffrey can meet his borrowing target with a broadly neutral Budget. Equally it also shows that he has little freedom of manoeuvre since any tax changes will broadly have to offset each other. Some analysts opposed to the Government's strategy would argue that if the spending cuts are taken into account the Budget is likely to be not neutral but severely contractionary in a year when output may fall by more than 2 per cent and unemployment could rise by between 350,000 and 400,000.

So Sir Geoffrey faces a difficult balancing act and the result is likely to be that the switches within the tax system are much smaller than last year.

The question of widest interest is how far direct and indirect taxes and social security benefits are adjusted for inflation. Increasing personal allowances in line with last year's inflation under the provisions of the 1977 Finance Act would cost £1¾bn in 1980-81 (though this is assumed in the borrowing projection). If the Chancellor increases allowances by less than this he will be increasing the real burden of income tax compared with 1979-80, and more people will pay income tax in 1980-81.

An increase in personal allowances by less than the inflation rate is possible in order to boost revenue. This may be justified on the grounds that part of last year's rise in retail prices was due to increases in indirect taxes which have already been compensated for in last year's income tax cuts.

On the indirect tax side, VAT is unlikel yto change. Any increase in customs and excise duties may be limited because of the Chancellor's desire not to push up prices too far at a time when the 12-month rate of retail price inflation is already approaching 20 per cent. Merely increasing these duties in line with last year's inflation would add 1.1 per cent to the retail prices index. Some increase still looks likely, however.

Much of the Commons attention is likely to concentrate on *the index-linking of* social security benefits. Under legislation now before Parliament benefits will be increased each November in line with the 12-month rate of retail price inflation, probably about 15 to 16 per cent by then. There are, however, reports that the Government may not increase unemployment benefits by as much as this in view of its belief that incentives to work—the gap between take-home pay in and out of employment—should be increased. Earnings-related benefits could also end.

All this is likely to provoke anger on the Labour side and in order to offset accusations of a socially unfair Budget there has been considerable pressure from Tory backbenchers for an increase in child benefit. This is the only major benefit to be fixed in cash terms and not to increase in line with inflation. It was set at £4 a week last April and an increase of £1.20 would be necessary in November to keep up with expected price rises by then. This would cost £672m in a full year and £280m in 1980-81.

The Chancellor also faces calls for help from the tightly squeezed industrial sector. This could be via a reduction in the employer's national insurance surcharge, which could be financed by a transfer from the North Sea oil sector. An increase in Petroleum Revenue Tax from 60 to 70 per cent on the rapidly rising profits is widely expected. Sir Geoffrey has already hinted that there may be special help for companies whose stocks temporarily fall.

The Budget will also include the first stage of the promised simplication and reduction in the burden of capital taxes

Sir Geoffrey clearly wants to have something a little more positive to offer and incentives to ownership of quoted shares (along the lines of the Loi Monory in France) and to employee share and profit participation are expected.

A key test for the Budget will be how it is judged by the City financial markets. Analysts will be looking not only at the proposals for 1980-81 but also at the expected medium-term financial plan. This is likely to set a path for the growth of the money supply over the next few years and it is regarded by some commentators as the main indication of the Government's willingness to break from the hand-to-mouth monetary policies of recent years.

Similarly, the market will take a close look at the fine print of the public spending White Paper. This will appear on Budget day for the first time, permitting revenue and spending plans to be examined together.

But the main focus will still be on the coming financial year and on the money supply and borrowing targets. Sir Geoffrey has, ironically, lost an element of surprise through the publication of reports that his borrowing target is less than £9bn. So, barring any surprises, the markets may already have discounted most of the "favourable news." The City view is that the money supply will have to come clearly within the target range for MLR to be cut. This may not be evident for another couple of months, but Sir Geoffrey will at least hope to point the way downwards next Wednesday.

## WHERE THE MONEY COMES FROM AND WHERE IT IS SPENT

| Revenue in 1979-80* | £m | Expenditure in 1980-81† | £m |
|---|---|---|---|
| Income Tax | 19,655 | Social Security | 19,289 |
| Corporation Tax | 4,850 | Education | 9,246 |
| Petroleum Revenue Tax (PRT) | 730 | Health | 9,194 |
| Capital Gains Tax | 390 | Defence | 8,062 |
| Capital Transfer Tax | 360 | Housing | 5,078 |
| Value Added Tax (VAT) | 8,325 | Environmental Services | 3,213 |
| Oil Duty | 2,900 | Roads/transport | 2,914 |
| Tobacco Duty | 2,550 | Trade/industry/energy employment | 2,870 |
| Alcohol Duty | 2,400 | Law and order | 2,542 |
| Vehicle Excise Duties | 1,148 | | |
| National Insurance Surcharge | 2,952 | | |

* Financial Statement and Budget Report June 1979 (before extra £700m on PRT from November measures; VAT to yield £2bn more in a full year).
† Public Expenditure White Paper plans, November 1979, at 1979 survey prices (in practice those ruling in autumn 1978).

## IMPACT OF INDEX LINKING

● Implementing "Rooker-Wise" provisions, increasing income tax allowances in line with 17.8 per cent increase in retail prices index during 1979.

| | From £m | To £m | Cost in 1980-81 £m | Full Year Cost £m |
|---|---|---|---|---|
| Single allowance | 1,165 | 1,372 | 640 | 780 |
| Married allowance | 1,815 | 2,138 | 930 | 1,120 |
| Higher rate thresholds* | 10,000 | 11,780 | 190† | 240 |

● Increasing flat rate excise duties by 17.8 per cent:

| | Effect in 1980-81 £m | Immediate impact on retail prices index |
|---|---|---|
| 1½p on pint of beer | 175 | +0.2 |
| 65p on spirits, 10½p on wine | 285 | +0.3 |
| 5p on 20 cigarettes | 315 | +0.3 |
| 7½p per gallon on petrol | 480 | +0.2 |

* Example of 40p rate. † Total of all thresholds.

Source: Wood Mackenzie

# Letters to the Editor

### Purchasing

*From Mr. E. Grubb*

Sir,—Your survey of March 12 in which finance directors of three leading companies discuss their future strategy reveals an appalling omission on all their parts. Not one reference was made to the size and cost of inventory and apparently no measures are to be taken in the future to get a better grip of working capital by reducing the inventory size.

The companies in question—Tate and Lyle, BOC, and Redland—between them employ more than £1.2bn in fixed and working capital of which I estimate £400m relates to stock and work in progress.

If these giants of industry have cash stringencies why don't they relieve their problems by utilising their existing resources more effectively, particularly the huge sums tied up in slow moving stock.

Purchasing and inventory control are seemingly two functions ignored by top management—to the shareholders cost.

E. B. M. Grubb
(Immediate Past President,
Institute of Purchasing and Supply),
GKN Industrial Distribution.
*44, The Green, Banbury, Oxon.*

### Roadbuilding

*From the Director, Transport 2000*

Sir,—Mr. Bloomfield (March 17) appears to believe that massive road-building is the only possible salvation for London's docklands. Not only is there no hard evidence to support this view, but the Government's own advisory committee on trunk roads found the opposite to be true.

In fact, the building of large-scale roads undermines local industry by making it easier to supply city areas from centralised factories and warehouses far away from the centres of consumption.

Internal system improvements, such as public transport and to a lesser extent local access roads, and bulk transport modes specific to industry, such as rail or waterway, do not have such adverse effects. It is these improvements to communications in docklands which should be given the highest priority.

Nick Lester.
Transport 2000.
*40, James Street, W1.*

### Dockland

*From Mr. D. Purcell*

Sir,—What a splendid choice of word is "vibrant," used by Mr. Bloomfield in his letter (March 17) to describe the state of the inner-city area if all the new roads he advocates are built.

Derek Purcell.
*8, Dryburgh Mansions, Putney, SW15.*

### Petrol

*From Mr T. Whittle*

Sir,—It will be a most retrograde step if vehicle excise licence is increased in the Budget. Your correspondent Basil Engert (March 18) makes a very good case for its abolition.

A tax on petrol (or diesel) is superior to the vehicle licence not only in the elimination of evasion and vast savings in the cost of collection, but it is also the fairest way to tax motoring.

Assuming that an increase in petrol tax (small in relation to price rises in the past year) is equitably applied to the national average mileage, then obviously those with large cars and above average petrol usage will pay more tax and those below will pay less. What could be fairer?

About 60 per cent of drivers, whose mileage is near the mean, will hardly notice any difference, but rightly those with the largest cars will feel it most. And the motorist will pay as he goes rather than £50 in one lump sum (plus insurance and MOT).

The vehicle excise licence started life as a "Road fund" tax, graduated according to nominal horse-power. It is manifestly unjust, and against all principles of energy conservation, that the pensioner's mini should be charged the same tax as the large company car or the chairman's Rolls-Royce.

The Chancellor should not reject every proposal of the previous administration but should abolish the excise licence and re-deploy its army of administators, as successfully done in Ireland. New cars and changes of ownership would obviously require some form of registration.

Thomas E. Whittle.
*19 Kildoon Drive, Maybole, Ayrshire.*

### Vehicles

*From the President, Institute of Sales Management*

Sir,—How to spend his or her money is the right of every individual.

Is it, however, right that Government or local authority *invest public funds in the* purchase of passenger cars or commercial vehicles manufactured outside the United Kingdom. Do foreign governments and their regional authorities reciprocate by purchasing British cars?

How do our custodians of the public purse equate such purchases with their declared interest in and responsibility for assisting British industry and local employment? Is this not an issue of interest to MPs of all parties?

K. Brauer.
The Institute of Sales Management.
*Corncorde House, 24, Warwick New Road, Royal Leamington Spa, Warwickshire.*

### Unions

*From Mr. E. Harper*

Sir,—Mr. Roger Beson (March 14) misses the point. The economic policies of this country, planned by its democratically elected Government, should receive the support of all democratic compatriots.

Those who feel that their narrow sectional interests are threatened should see further than their noses, and accept the will of the majority instead of seeking to obstruct the pursuance of those policies for their own very short term benefit. They should acknowledge the obvious fact that their excessive power is being abused, and that high wage demands and restrictive practices lead to high inflation, high unemployment, inability to compete with other countries and therefore to poorer and poorer social services and, of course, a decrease in investment.

Naturally, these factors affect the living standards of us all and the trades unions should do what they can to educate and encourage their members in changing that situation.

E. R. Harper.
*22 Loxford Road, Caterham, Surrey.*

### Sudan

*From Sir James Farquharson*

Sir,—As the last expatriate general manager of Sudan Railways (1952 to 1957) may I be allowed a brief comment on the interesting article by James Buxton (March 14).

First, he refers to "a single-track narrow gauge railway." The gauge is 3 ft 6 in, virtually the standard gauge south of the Sahara. The South African system is the largest one built to this gauge, it is highly efficient and handles successfully (often on single lines) tonnages far in excess of the demand likely to arise in Sudan.

Second, he refers to "Muglad as a large village . . . which happens to have a siding." There is nothing haphazard about the siding. Muglad is a relatively important station on the line to Wau.

Third, he refers to "all but two locomotives in the western region which serves Muglad are steam-powered some of them dating from the beginning of the century." In the 1950s Sudan Railways had a well-balanced fleet of good steam locomotives of varying ages but none (except possibly a museum piece) dating from the beginning of the century. Since then large numbers of diesels have been purchased.

Sudan is an ideal country for railways—long hauls, easy grades (except on the Red Sea hills) and little curvature. There is nothing about the gauge or the layout of the system which prevents it meeting the full transport needs of the country at a fraction of the cost of alternative modes.

(Sir) James Farquharson.
*Kinclune, Kirriemuir, Angus.*

### Commuters

*From Mr. G. White.*

Sir,—Mr. Pelham Ravenscroft argues (March 13) that tax allowances should not be granted to public transport commuters. Travelling long distances from home to work is a waste of natural resources (energy) and should not be artificially encouraged by subsidy.

Though a commuter, I have every sympathy with this view. Yet the real point, which underlies the growing demand for season ticket holders to receive tax allowances is that such concessions are already given for many of those who commute by car. The car is, of course, a far more profligate user of energy than public transport, particularly at peak times.

Moreover, a recent Inland Revenue consultation paper pointed out that "those who use company cars to travel to work have a tax advantage over those who have to pay the full cost of such journeys, whether by car or public transport, out of their taxed income or, if that cost is reimbursed by their employers, are taxed in full on the reimbursement."

The paper goes on to say that these considerations "apply with even greater force to the provision of petrol for private motoring. In terms of energy conservation, such provision without a tax charge runs counter to the principle that energy prices should give consumers accurate signals about the cost of energy supply and is a positive disincentive to containing demand for oil."

A Greater London Council survey in 1978, revealed that 69 per cent of those driving to work in central London received some financial help from their employer to do so—a quarter of them having company cars. Until these benefits are taxed fully, the demand by public transport users for equivalent tax allowances is bound to become increasingly vocal and urgent. The present distortions needs to be corrected one way or the other.

Graham White,
*20 Eleanor Close, Lewes, East Sussex.*

### Trusts

*From Mr. R. Hunter*

Sir,—Why all this fuss about the discount? (Tim Dickson on Trusts, March 15). We are small shareholders in 13 investment trusts, eight of which we bought at discounts of between 30 per cent and 35 per cent. An analysis of the disclosed major holdings, excluding cross-holdings, of these eight shares shows that eight of them hold Shell, seven hold British Petroleum and six are in Unilever. Who are we to complain about buying stakes in these companies at 30 per cent off?

We are not concerned with the market price of our trusts and if the market goes through the floor tomorrow we will still get eight hours sleep.

In this I submit that we are not unusual. We are simply representative of the amateur investor class for whom investment trusts were originally conceived. We know that management expenses deduct about 5 per cent from our gross revenue but we consider this a fair commission to pay for safety combined with reasonable immunity from inflation.

We trust that the boards of investment trust companies will not be panicked into taking action which is inimical to the true objects of the trust movement.

We refer particularly to unitisation and the proposals to allow companies to buy their own shares.

R. S. Hunter.
The Car Collection Co.,
*1, The Platt, Amersham, Bucks.*

RHODESIAN AND OTHER FOREIGN BONDS

BY TIM DICKSON

# Fighting for oppressed bond-holders

THE DAY OF reckoning for 15,000 British holders of Southern Rhodesia sterling bonds is possibly just a few weeks away. Most of them are no doubt well aware by now that the fate of their investment, which has yielded precisely nothing in the 14½ years since UDI, hinges on a crucial meeting to be held shortly in London with representatives of the new Zimbabwe Government.

Very few of them, on the other hand, are likely to know much about the Council of Foreign Bondholders, the small self-financing organisation which will present their case.

The Council of the Corporation of Foreign Bondholders (to give it its full title) boasts more than a century's experience of sticking up for the downtrodden British creditor, and in its time has helped rescue no less than £1bn of capital from the jaws of foreign government default.

Its aims, as clearly stated in its 1979 annual report published this week, are to "protect the interests of holders of sterling bonds publicly issued in the United Kingdom on behalf of overseas governments, states and municipalities." Its history, as you might expect given such a wide ranging brief, records some humiliating failures, as well as some notable successes.

Settlements, for example, have been satisfactorily concluded in the past with countries as politically diverse as Uruguay, Greece, Hungary and Japan. On the other hand long running but inconclusive approaches have been made over the years to the unsympathetic communist successors of the debt incurring dynasties of Imperial Russia and China. Worse still repeated overtures to governments such as those of Mexico and the American State of Mississippi have been consistently answered by a wall of silence.

This week the Council conceded one defeat when it announced the return to original holders of some Mexican bonds deposited with them since 1922.

What will happen when Mr. Mugabe's delegation arrives in London later this year remains to be seen. But unless things go drastically wrong the negotiations are widely expected to conclude what has been a frustrating and mostly profitless episode for the UK holders of Southern Rhodesia bonds.

Meanwhile the Council for the Corporation of Foreign Bondholders will be given a rare opportunity to take the centre of the stage. The list of outstanding sterling bonds in default in contrast to earlier years now amounts to a mere £130m—a successful settlement of the £65m of Rhodesian bonds would therefore immediately halve (in money terms) the Council's unfinished business.

All 12 Southern Rhodesia stocks were issued for a variety of purposes before that country's Unilateral Declaration of Independence. No interest has been paid to UK holders of the bonds since the fateful announcement in October, 1965 and the redemption dates of eight of the 12 bonds have now passed without a penny of capital repayment. At the last count total estimated arrears (including interest and capital) amounted to some £51½m.

## Languishing

Investors prepared to cut their losses have admittedly been able to sell in the stock market. However, prices have inevitably bobbed up and down as successive settlement attempts have first raised and then dashed the hopes of optimistic punters. Several years ago, for example, Southern Rhodesia 2½ per cent 1965-1970, one of the most actively traded stocks, was languishing at a mere £19. (This week it was riding high at around £140.)

Prices started to creep up at the beginning of last summer once the Carrington/Thatcher initiative—which led to the Lancaster House agreement in December last year and culminated in last month's successful elections—began to take off. At current levels it is warth remembering the present value of the bonds not only take account of full repayment of arrears but also an element of compensation for interest which could have been earned on the unpaid interest and capital.

Compensation terms seem likely to form a key part of discussions with the Zimbabwe delegation, but Mr. Michael Gough, director of the Council, is not giving anything away at this stage and refuses to speculate on the possible outcome of the talks.

"What usually happens on these occasions is that the foreign government makes an offer which we recommend," he explains. "It is then up to individual bond holders to accept, or refuse if they prefer. Anyone who does refuse can in theory negotiate separately with the Zimbabwe Government or sell their bonds in the market."

The Council incidentally has not been allowed to make official contacts with the Rhodesian authorities during UDI. "The negotiations, as I understand it, will be entirely between us and the Zimbabwe Government though we expect to have the backing of our own Government," adds Mr. Gough.

The Council of the Corporation of Foreign Bondholders was formed in 1868 through the efforts of a German immigrant, Isidor Gerstenberg. As a London stockbroker, Gerstenberg realised that while many private investors were prospering on London's international capital market, others were suffering as a result of the overseas commercial failures of the time. He therefore approached Baring Brothers, through whose hands many foreign issues passed, and with their encouragement a meeting was convened at a City of London tavern. The Council was the result.

Five years later the Council was licensed by the Department of Trade and it now operates under a special Act of Parliament passed in 1898. It is, however, unsupported by the taxpayer and survives on the income from its investments carefully accumulated over the years from cash accumulated and largely paid for out of commission. The latest annual report, for example, reveals that for the year ended December 31, 1978, net income exceeded expenditure by about £2,700.

A permanent secretariat of four staff (shortly to be reduced to three) keeps a day to day eye both on the operations of past agreements, many of which, are still running, and plots the next moves against offending governments.

The £130m owed by outstanding defaulters includes the Rhodesian and Chinese loans (the latter made in the late 19th and early 20th centuries) amounting to £66m and £61m respectively but it excludes UK holdings of Tsarist Russian bonds issued in sterling and other currencies and Bulgarian bonds (also issued before World War 1) issued in gold francs.

In 1868, at least one newspaper recognised a gap in the market. "The cause of the British bondholder is at last likely to be taken up with energy and skill," it commented. "The British lender has been by some foreign borrowers so defrauded and oppressed that it is absolutely necessary some measures should be devised for his protection."

Apart from some optimistic remarks about Rhodesia, the general survey of the Council's 1979 report (the equivalent of the chairman's statement in a company report and accounts) contains few crumbs of comfort for unpaid bondholders. It reveals that the Foreign Office apparently raised the question of Chinese Bonds with the Chinese Foreign Minister last October/November but admits that "the Chinese response was not encouraging as regards debts incurred by previous Chinese governments." American creditors, meanwhile are reported to have had more joy with the Bulgarian Government than their British counterpart but the question of the settlement of the outstanding sterling bonds—is being "actively pursued."

Yet if there is little tangible to show for last year's efforts it is interesting to note that some of the fruits of previous negotiations are apparently still unclaimed. About £123,000 relating to various bearer documents is deposited with the Council as a result of its role as custodian and paying agent for certain foreign loans. A table giving brief details of the bearer documents is contained for the first time in the report.

## Best known

While many successful settlements have been negotiated by the Council, it is inevitably the unfinished business which has attracted most attention. Tsarist bonds, for example, are perhaps the best known examples of broken promises in this whole international arena. Estimated years ago to amount to the equivalent of £50m, they were issued to finance buildings, bridges, schools and even an electricity industry. The USSR, however, repudiated its Imperial predecessors' obligations in 1918, though an abortive claims conference was held six years later when Soviet Russia was finally recognised by Britain. Subsequent attempts to negotiate have ended in stalemate.

Perhaps the most extraordinary story, however, surrounds some of the external foreign debt of the State of Mississipi which went into default in the 1830s. Over the years the case has certainly raised enough passion—moving the poet William Wordsworth at the time to sympathise elequently with an outraged holder and drawing an admission of shameful guilt at a much late date from President Theodore Roosevelt. The bonds were floated to raise $7m in gold to underwrite two new banks, which subsequently failed. The State of Mississipi, not the banks, was the guarantor of the debt but in 1875 the State passed a constitutional amendment which disclaimed any obligations to holders of the bonds.

Ironically, the U.S. Constitution embodies the classic "Catch 22" which has defeated all attempts (and there have been many of them) to force Mississippi to meet its obligations. For while the Constitution says that no State should pass a law impairing a contractual obligation, the Federal Courts are forbidden to entertain a suit against any of the American States by any group or individual—foreign of American.

It was calculated in 1929 that total arrears of interest amounted to $32m, so the potential pickings for any bondholder able to break the deadlock are truly mind boggling.

The State of Mississippi does not reply to communications from the Council which bravely reports that "efforts to recover some value for the bondholders have not been abandoned." Two "agents" on U.S. soil are still working on it.

Hugh Routledge

Mr. Michael Gough, director of the Council of foreign Bondholders, holding bonds from the State of Mississippi, the Mexican National Packing Company, and the Federal Government of Mexico.

The Council's attitude to scripophilly—the name invented to describe the collection of rare bonds in default—is obviously ambivalent. In individual cases like the Chinese bonds, the Council admits that rarity or artistic considerations give bonds a value in the collectors' market well above what they could expect from any future settlement. There are therefore obviously times when it is best to sell. On the other hand, the Council feels that a flourishing collectors' market helps defaulting debtors to escape their liabilities.

Nevertheless, Scripophily is a rapidly expanding business with major auction houses showing an increasing interest in the market for old bonds. To say that this market will in future probably attract more attention than the Council of the Corporation of Foreign Bondholders is not to belittle that organisation's impressive contribution. For example a Chinese Imperial Government bearer bond—the Honan Railway 5 per cent gold loan of 1905—is currently listed in the Stanley Gibbons catalogue at £1,250, against a face value of £100.

The council's 1979 annual report refers hopefully to the abolition last year of exchange controls and looks forward to the re-emergence of a flourishing capital market in London. The council indeed could still play an important role in protecting bondholders' interests and denying defaulting debtor countries access to the market. The world, however, is arguably a little more stable and British investors a little less daring than their 19th century predecessors.

Who knows? If the punters are right, the next few weeks should prove that the council still plays an important role 100 years after its inception.

## Weekend Brief

### Keeping the children happy

Strawberry Shortcake mini dolls from Chad Valley, scented with the flavours of various berries.

It was electronics almost all the way at this year's New York Toy Fair, with a noticeably wide extension in the age range of the "consumer." There were electronic toys for babies in cots as well as games for adults.

A major concern for many manufacturers was the steeply rising cost of oil-derivative plastic. Imported oil was expected to rise by $4 to $5 a barrel over the next 10 months, adding more than $0.30 a lb to styrene, the key plastic for the entire toy industry. How high, it was being asked, could prices of oil go before plastic model manufacturers were priced out of the market?

Some admitted they were trying to develop an alternative to styrene, and the one who discovered it first would be on to a good thing.

But while these manufacturers worried about the rising cost of oil, hobby manufacturers said they were benefiting from its effect on petrol. One said: "It's cheaper to spend an afternoon with your road-racing set or flying your radio-controlled plane round the local park than it is to get in the car and drive the 30 miles to a ballpark to see a baseball game. That simple fact is going to make our business boom in the '80s."

So what is new in America this year? Manufacturers highlighted the continuing boom in roller skates, space toys, board games, dolls' houses, pre-school toys and fashion dolls. But the most enthusiasm was reserved for electronics, with its vast games field ($375m last year, a 300 per cent increase on 1978).

Educational electronic toys are selling well because—as one retailer said, parents were more willing to buy expensive items if they thought they were helping their child and not just acquiring a gimmick.

Going back to the womb, there was "Rock-a-Bye-Bear." Five years ago, William Eller, a Fort Lauderdale physician, discovered that crying newborn babies were quickly lulled to sleep by the internal sounds of the mother's womb. He found this out by placing a microphone in the uterus of an expectant mother a short time before labour.

The pulse beat and other sounds were tested on wakeful infants in hospital nurseries with dramatic results. Within a minute nine out of ten babies were asleep. "Rock-a-Bye-Bear" plays the same sound, refined and reproduced electronically.

If you can't give a child real food, give it the smell. This idea seemed to be in the minds of several firms introducing smell-orientated products. New, tempting "fragrances" included bubble gum, peanut butter, banana split, pizza and popcorn. Kenner had their new Strawberry Shortcake Doll and her friends all smelling like the berries of their name.

Ideal, Mattel and Mego continue to invent new activities for their growing dolls. At a squeeze [illegible] the dolls make chewing movements, wave their arms, shrug their shoulders, cry and wipe away their tears.

But for glamour, perhaps it was Kenner's "Darci—Today's Model of Success" who won the day. Introduced on to the market last year, she now has a dozen new outfits, a new girl friend Erica ("it's fun to do things with a best friend!") and an electronic fashion liner dressing salon on wheels, just the thing for "the model on the move."

Inside the van is a dressing area plus a kitchen (listen to the electronic sizzle of bacon and the whirr of the electric blender). Darci also models in her outdoor studio with its four scenic backdrops and special sound effects (waterfalls and wild birds), a "pretend" camera and spotlight that works.

Footnote for the future: Solar Rover SBX (from Solaris Toy Corp.) is first in a series of solar-powered toys that receives the sun's energy through a two-inch solar cell. It needs no battery and moves by the wave of a hand.

### Cashing in on the apothecary

Has your local pharmacist recently begun to display a colourful collection of old drug jars with inscrutable Latin inscriptions you suspect may mean "eye of newt"?

If so, and you keep an eye on the going rate for apothecary jars, you may have been surprised to learn that your "chemist" was doing so well. At a Christies sale last autumn several beauties fetched more than £1,000 apiece. One 16th-century jar went for £5,000.

But the chances are that the apothecary jars on display in the High Street are not quite the real thing. Mr. David Sharpe, president of the Pharmaceutical Society of Great Britain, the learned society representing the pharmacists, is also an entrepreneur with a keen eye for art. As managing director of Cory Brothers, a London company of hospital suppliers, Sharpe has opened a highly successful line in replicas of apothecary jars in the last five years.

With their owners' blessings, he has selected jars from museums and private collections, then scoured Europe for makers of fine porcelain willing and able to make replicas perfect down to such detail as the crazing of the glaze with age. His collaborators include such craftsmen in ceramics as Herr, Limoges and Capo-di-Monte.

One of the most popular lines, with sales of about 2,400 at about £30 per jar over the last few years, is a series of six elegant replicas in white Limoges porcelain. Each is simply decorated with a fruit or herb — grapes, cherries, borage. Poppy has proved much the most popular, teaching Sharpe the lesson that people like as much design as they can get for their money.

He sells only to, and through, pharmacies. Some buy only for display, to help recapture the profession's traditional image as part of the service of health care.

But others are willing to stock his reproductions for sale. A line he believes might prove very popular with a wider public is a little round trinket box—"not a drug pot," but he confesses he cannot think of a more professional term—beautifully decorated with the colourful Paraphernalia of the dispenser.

This time the potter is British, Crummles and Co., but Sharpe himself has verified the accuracy of its design. He is stockpiling at the rate of 100 a month for a launch in the autumn. "I think they would enjoy a Christmas sale."

For the more serious but comparatively impoverished collector, however, his latest coup is to persuade the council of the Pharmaceutical Society—which has its own splendid display of apothecary jars at its Lambeth headquarters in London—to let him reproduce a series of ten from its collection.

### Helping us to write proper

Writers of jargon-filled reports and users of bureaucratic turns of phrase beware, the Plain English Campaign is gathering momentum.

According to Dr. David Blancher of Birmingham's Aston University, people who write unintelligible official reports often do not understand fully what they are writing about, and merely pass on their confusion to others.

He and the Plain English campaign regard this as an alarming state of affairs and a threat to the public, which they believe should at least be able to understand what government is saying.

Industry fares little better under their critical eyes, particularly in relation to written guarantees, hire purchase agreements and insurance policies, many of which remain legalistic and, in part, incomprehensible to most. However, the campaign welcomes recent improvements by Phoenix and General Accident in the wording of their policies.

Nearly 50 people attended a meeting in Birmingham earlier this week to listen to Martin Cutts, one of the founder members of the campaign, and other speakers concerned with consumer protection and the problems of ethnic minority groups, whose first language is not English.

Cutts is primarily attempting to persuade officialdom at large to simplify its language and presentation of public information documents, such as leaflets and questionaires. The campaign has recently had a grant from the Department of Health and Social Security to improve some of its forms.

The campaign itself arose in 1974 from a newspaper called the Liverpool News, designed for people of poor literacy, and published by Cutts and Chrissie Maher, who jointly founded the campaign, which is now run from Manchester. Chrissie Maher's feel for the problems created by poor writing arises from the fact that she herself was illiterate until the age of 17.

Their "form factory" has been approached by a range of local authorities, government departments, and companies for help on writing and designing easily-readable material. Cutts believes the main problem to be the lack of encouragement for creative people working in bureaucratic surroundings. He also suggests that officialdom has a lot to learn from the presentation of popular newspapers. "I don't mean they have to put nudes all over their leaflets, but simple wording and good illustrations are very important," he says.

The campaign occasionally indulges in Agit-Prop tactics, returning a leaflet or report to its writer to point out the error of his or her ways. Even the Office of Fair Trading, itself directly concerned with the problem, has been criticised for an "unreadable" pamphlet with black type used on brown paper.

Ultimately, the campaign would like to see legislation to enforce plain language in official and legal documents, such as that pushed through in many American states by consumer and adult literacy movements. These laws clearly define how documents should be written, notably without long, legalistic or foreign words. Sentences should be of a certain average length, usually around 25 words.

How Parliament would react to proposals touching so closely on the activities of its many report-producing committees would be interesting, but there is no doubt that the Plain Language campaign, small though it is, may have widespread popular support.

Contributors:
Angela Wigglesworth
David Fishlock
Lorne Barling

## Economic Diary

TODAY—Prime Minister speaks on second day of Conservative Central Council meeting, Bournemouth. Weekend special meeting of senior officials from seven leading OECD member countries, Versailles. Sir Keith Joseph, Industry Secretary, addresses National Conference of Self-employed, Royal Hall, Harrogate.

TOMORROW — Increase in London Transport Underground fares. National savings figures (February).

MONDAY—National income and expenditure in fourth quarter and year 1979. Retail sales (February provisional). Dr. Christoph Van Der Klaauw, Dutch Foreign Minister, in London for talks with Lord Carrington, UK Foreign Minister. Lord Soames, British Governor in Rhodesia, visiting Mozambique at invitation of President Samora Machel.

TUESDAY—Unemployment and unfilled vacancies (March provisional). Institute of Directors annual convention, Royal Albert Hall, London. Mr. Denis Healey, Shadow Chancellor of the Exchequer, speaks at Radio Industries luncheon, Connaught Rooms, Great Queen Street, London. Building pay talks resume, 82, New Cavendish Street, London. Stock Exchange charges for equities and gilt-edged securities to increase by an average 10 per cent. Bricks and cement production (February). Prince Mikasa, of Japan, begins visit to UK.

WEDNESDAY—BUDGET DAY. Publication of White Paper on Government's public spending plans for next four years. Confederation of British Industry monthly trends (March). Three-day meeting of EEC Agriculture Ministers begins in Brussels. European Parliament in session for three days on Budget and agriculture prices.

THURSDAY—Statement by Mr. Richard Burke, Common Market Commissioner (Transport) at Bristol Chamber of Commerce. Sir John Greenborough, CBI president, at annual dinner of South Western region, Grand Hotel, Bristol. British Rail Property Board details financial performance for 179.

FRIDAY — Chancellor Helmut Schmidt of West Germany begins two-day visit to London for talks with Mrs. Margaret Thatcher and Ministers. Statement by Common Market Commissioner for Industry, Victoria Mills, Shipley. Car and commercial vehicle production (mid-February).

# Carlton Industries near £17m profit at year-end

PROFITS before tax of Carlton Industries reached £16.95m at the end of 1979 on turnover of £112.69m against corresponding figures of £10.65m and £65.63m in the previous nine months.

The year's result reflects increased contributions from batteries, whisky and the group's attributable share of housebuilding activities. Other activities (including interest), however, incurred a further loss.

The final dividend is 8p per share making a total of 12p. In the nine months of 1978 the final payment was 3.5p for a 5.5p total. Based on an actual tax charge, stated earnings per share are up from an annualised 46.9p to 53.1p and from 24.1p to 28.8p based on a notional 52 per cent charge.

Control of Carlton was acquired by the Hawker Siddeley Group in June 1978.

| | Year 1979 £000 | 9 mths. 1978 £000 |
|---|---|---|
| Turnover | 112,687 | 65,633 |
| Batteries | 79,969 | 46,173 |
| Whisky | 24,358 | 14,948 |
| Other activities | 8,360 | 4,512 |
| Profit before tax | 16,945 | 10,652 |
| Batteries | 10,890 | 7,226 |
| Whisky | 4,176 | 2,462 |
| Other activities* | 499 | 83 |
| Housebuilding† | 2,378 | 1,047 |
| Tax | 1,932 | 610 |
| Net profit | 15,013 | 10,042 |
| Minorities | 894 | 681 |
| Attributable | 14,119 | 9,361 |

* Including interest. † Attributable to Carlton.

● **comment**

On an annualised basis, Carlton Industries is up 19.3 per cent at the pre-tax level. The news of the rise follows two earlier showings by Carlton-related companies Comben and Invergordon this week. Comben had more than doubled housebuilding earnings and Invergordon's whisky business showed a 27 per cent jump pre-tax. Together, these two companies gave a fillip to Carlton's group performance. The mainstay of Carlton, its battery business, was also up, but margins were two points lower reflecting a weakened home market and the rising cost of lead. All of this being observed by Carlton's 51 per cent parent, Hawker Siddeley, which is scheduled to make a second bid next year. The annualised dividend rise of almost 64 per cent gives a yield of 6 per cent at 290p, up 10p, while on a notional 52 per cent tax charge, the p/e stands at 9.8.

## Henriques record £0.37m

For the year ended December 31, 1979, profits before tax of Arthur Henriques, Manchester-based clothing manufacturer, went ahead by 72 per cent from £216,763 to a record £373,380, on turnover of £4.66m against £3.19m.

The total dividend is lifted from 1.943p to 3p per share with a final payment of 2.4p. A one-for-one scrip issue is also proposed.

Profits in the first six months were up 50 per cent from £114,867 to £172,838 and the directors expressed confidence that figures would be similar in the second six months.

They now tell shareholders that 1980 looks like being a difficult year, but the group started in a financially healthy position.

Tax last year took £176,837 (£75,750) giving earnings per 10p share of 9.83p against 7.05p. Dividends absorb £60,000 (£17,737) and £136,543 (£123,276) is retained.

Net asset value per share is shown to have increased from 46.28p to 55.4p.

● **comment**

Arthur Henriques can thank its long association with the mail order houses for the impressive set of full-year figures. Even stripping out investment income the profits rise is roughly 50 per cent and the current period starts with a very healthy cash balance of £650,000. This will be a boon in 1980 given the uncertain trading outlook for the "rag trade." It puts the company in a strong position to pick up suitable acquisitions and any surplus can be used to good advantage in the money market. At 42p, up 1p, the shares look cheap given that they match the underlying property and cash values within a net asset value of 55p. By widening the market, the scrip issue may go some way to correcting this but meanwhile the historic p/e of 4 and yield of 10.8 per cent looks no better than the sector average.

## DIVIDENDS ANNOUNCED

| | Current payment | Date of payment | Corre-sponding div. | Total for year | Total last year |
|---|---|---|---|---|---|
| J. Hewitt | 1.5 | — | 1.28* | 1.5 | 1.28* |
| Bridport Gundry ... int. | 0.99 | May 30 | 0.99 | — | 2.41 |
| Britannia Arrow ... int. | 0.7 | April 25 | nil | 0.7 | nil |
| Carlton Industries | 8 | May 30 | 3.5 | 12 | 5.5‡ |
| Church & Co. | 5 | — | 2.81 | 7.5 | 3.81 |
| Gibbs & Dandy | 1.25 | — | 1.0 | 1.25 | 1.0* |
| Hartley Ind. Trust | nil | — | 0.67 | nil | 0.67 |
| Arthur Henriques | 2.4 | — | 1.55 | 3 | 1.94 |
| Jamesons Chocs. | 3 | — | 2.76 | 4 | 3.63 |
| Park Place Invest. . int. | 1.25 | May 23 | 1 | — | 2.8 |
| Pifco ... int. | 1.6§ | April 25 | 0.95 | — | 4 |
| W. A. Tyzack ... int. | 0.5 | May 29 | 0.5 | — | 1.78 |
| Williams & James | 2.57 | May 20 | 2.57 | 3.72 | 3.67 |

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ For nine months. § To reduce disparity.

# £0.5m increase by Church & Co.

FOOTWEAR GROUP. Church and Company pret-ax profits showed a gain of £170,000 to £1.92m in the second half of 1979, thus finishing the year £521,000 better at a record £3.11m.

This is in line with the forecast made at halfway, when a £351,000 advance to £1.19m was reported. At that time the directors said the year's result would depend largely on retail sales in the autumn and recent price increases coupled with higher VAT made it unlikely that the large percentage profit increase of the first half would be repeated in the second. However, they were hopeful of a satisfactory year.

Yearly earnings per 25p share put on 18p to 50.8p and the final dividend is 5p net, hoisting the total payment from 3.81p to 7.5p at a cost of £391,000 (£198,000).

Turnover expanded from £23.97m to £29.32m and tax for the 12 months took £452,000 (£919,000), leaving the attributable balance well ahead from £1.66m to £2.65m. Some £2.26m (£1.47m) was retained and £10.45m (£8.28m) carried forward.

A professional revaluation of freehold properties shows a surplus of £2.8m. This, together with retained profits gives net assets of £13.7m, representing 263p per share.

For 1979 the wholly owned subsidiary, A. Jones and Sons, reports taxable profits up from £1.42m to £1.62m, on turnover excluding VAT of £13.86m (£10.83m).

Earnings per share rose from 84p to 114p and the dividend is stepped up from 12.75p to 26p at a cost of £286,000 (£140,000).

After tax of £358,000 (£487,000) the net balance emerged at £1.26m (£0.93m).

● **comment**

Loftily poised at the top end of the shoe market, Church has been above direct damage from cheaper foreign imported shoes. But the "washover" effect has played a part in slowing profits growth from the interim 42 per cent to a full-year 20 per cent. For some shoe companies, the cheaper imports have had a swings-and-roundabouts element, since they hit the manufacturing division but give better margins in retailing. Church restricts itself to no more than a fifth of imported shoes in its shops, so comfort here has been colder. The results, in line with market expectations, left the shares unchanged at 195p, where the fully-taxed p/e is 6.6 and the yield is 5.6 per cent. Lest the latter figure look modest, the board points out that the shares stand at a 28 per cent discount to net asset value.

# Britannia Arrow surges to £1.52m: pays 0.7p interim

AS FORECAST last September, Britannia Arrow Holdings, financial and publishing services group, is returning to the dividend list after an absence of four years.

Together with a jump in pre-tax profits from £0.52m to £1.52m, the directors announced an interim payment of 0.7p net, costing £526,596. No final payment will be made. The last dividend paid was a total 5.2565p for 1974.

At the interim stage a turnround from a loss of £38,000 to a profit of £817,000 was reported.

Tax for the 12 months amounted to £162,000 (£233,000). There were minority losses of £1,000 (same) and extraordinary credits of £2.21m (£3.29m), making an unchanged net balance of £3.57m.

Earnings per 25p share are shown at 1.6p (0.17p) and the attributable balance at £3.41m (£3.09m).

A net surplus on property revaluations of £684,159 at December 31, 1978 has been realised during 1979 and included in extraordinary items. However, this has a nil effect on the group's net assets as the revaluation surplus account has been eliminated.

● **comment**

With a 1p gross dividend payment, Britannia Arrow has returned to the fold of "respectable" City institutions, which it left in 1975. If a further *imprimatur* were needed, the shares have recently recovered to precisely their par value of 25p which probably corresponds roughly to their asset value.

## Pifco to pay 20% extra

INCLUDING investment income up from £57,900 to £171,300, profits before tax of Pifco Holdings, the electrical appliance group, improved from £501,900 to £656,300 in the first half year ended October 31, 1979.

Second half profits have been maintained at a satisfactory level and the board hopes that results for the full year will show continued progress despite the difficult trading conditions.

The interim dividend is being raised from 0.95p to 1.6p to reduce disparity, and it is planned to increase the total dividend by 20 per cent. In 1978-79 the total was up from 3p to 4p on record pre-tax profits of £1.62m.

First half tax charge is £341,200 against £260,500.

● **comment**

Pifco is on its way to yet another record year—perhaps £1.9m pre-tax. Half time trading profits rose by 9.4 per cent helped by some increase in volume while a sharp jump in investment income lifted the overall pre-tax figure by 31 per cent. Pifco keeps its cards close to its chest but Christmas trading is described as reasonable and the usual first half/second half split looks like being repeated, though trading is probably looking progressively more difficult. With £3m cash in the last accounts — a higher figure will appear at the end of this year — investment income continues to be a driving force. Eventually Pifco will find a company in the same field that it likes sufficiently to go out and buy but meantime the returns in the money markets are substantial. As a takeover target Pifco does not really fit the bill, the family have voting control and it could take a high price to tempt them. The market capitalisation is only £6½m—not much given the underlying cash—but at 128p the prospective p/e and yield of 7 and 5.4 per cent on the "A" looks fair enough.

# Bridport-Gundry profits slip to £309,000 at interim stage

FIRST-HALF TURNOVER of Bridport-Gundry (Holdings), Dorset-based netting and cordage manufacturer, rose from £6.64m to £7.14m but taxable profits slipped to £309,000, for the period ended January 31, 1980, against £324,000.

Mr. R. W. Holder, chairman, explains that last year's interim result was brought about in part by the advancing of shipments, which would normally have been made in the second half.

That factor was not evident this year, he says, but warns that under present trading conditions it would be unwise to predict the full year's profits, or draw firm conclusions from the six months' results — profits for the whole of 1978-79 were £763,000.

The net interim dividend is unchanged at 0.99p per 20p share and directors are leaving consideration of any increase until the full year's figures are known—final payment for 1978-79 was 1.42p.

Profits were close to the budgeted figure, Mr. Holder says, as was cash flow. There was an uneven performance between operating companies, and there are further benefits which will result, in due course, from having split them up into identifiable profit centres.

A significant reduction in stock levels in the bulk netting subsidiary realised more than £200,000 in cash and was achieved by bringing the company under the direction of the twisted products division, which supplies the twine for netmaking, the chairman explains.

The subsidiary supplying civil and military air freight nets, which uses little bulk netting, was an outstanding performer in the half year, but the fishery business was generally difficult due to low demand. Brownell in America continued to make steady progress.

## Hewitt ahead to £386,560

A HIGHER second half of £225,000 against £201,000 left 1979 taxable profits of J. Hewitt and Son (Fenton) £75,462 ahead at £386,560.

At halfway, when reporting an improvement from £110,000 to £162,000, the directors anticipated *that the level of turnover and* profits achieved in the first half would continue for the remainder of the year.

Yearly earnings per 25p share are stated at 17.1p (13.7p) before tax, and 14.2p (9.2p) after tax. The dividend is effectively raised from 1.2776p to 1.5p net, costing £33,750 (£28,746).

Turnover of this manufacturer of industrial and domestic refractories, expanded from £2.79m to £3.91m.

## £0.11m rise for Gibbs & Dandy

CONTINUED expansion in the second half has been achieved by Gibbs and Dandy, bringing total profit for 1979 up from £473,944 to £589,721.

At halfway the profit had risen £36,109 to £211,060.

The dividend is lifted from the equivalent of 1p to 1.25p net, from stated earnings of 5.7p, against 4p.

The group carries on the business of builders' merchants, ironmongers, and glass, paint and tool merchants.

| | 1979 £000 | 1978 £000 |
|---|---|---|
| Turnover | 13,539 | 10,693 |
| Profit | 590 | 474 |
| Taxation | 124 | 148 |
| Net profit | 466 | 326 |
| Extraord. credit | 11 | — |

# Lower interest boosts London Shop at midway

DUE MAINLY to a reduction in net interest charges, pre-tax profits of London Shop Property Trust expanded from £168,750 to £251,750 in the six months to October 31, 1979.

The lower interest charge of £689,000 against £758,000 results from property disposals during the period, including the sale of the group's freehold interest in Bain Dawes House, Haywards Heath, for £3.6m.

In their annual statement, directors said that other property sales in negotiation should produce cash in excess of £2m. The long term effect of the sales would be felt mainly in 1980-81 but they expected the current year to receive considerable benefit.

As already known, the interim dividend is 0.95p (0.9011p) and directors say that although the extended impact of high interest rates hinders progress, particularly in housebuilding, they are confident net profits for the full year will enable a maintained dividend to be paid. Last year's final was 2.15p, paid from total pre-tax profits of £651,762 (£653,000).

Profits from housebuilding during the first half jumped from £18,000 to £162,500 before interest charges, and associates' contribution rose to £52,000 (£48,000). Property revenue declined from £841,250 to £712,000 and investment income from £19,500 to £14,000. Property trading produced £9,250 (nil).

Profit, after tax of £42,500 (£50,750) and minorities of £8,250 (£600) was £201,000 against £117,400. Stated earnings per 25p share are up from 0.89p to 1.56p.

## Second City improves 28% at halfway

Pre-tax profits of Second City Properties rose 28.5 per cent from £415,089 to £533,493 from turnover down from £10.29m to £8.45m in the six months to October 31, 1979.

The interim net dividend is raised from 0.5628p to 0.6191p—last year's total was 2.0138p from pre-tax profits of £1.07m.

The improved margins are mainly attributable to the private housing division, together with the continued and pre-determined reduction in contracting services.

Mr. G. L. Joberns, the chairman, says the property development programme is progressing satisfactorily and the revaluation of investment properties, referred to in last year's annual report, will be incorporated in the figures for the full year. He *is confident that results for the* full year will show an improvement on the previous year's.

Tax for the first half was up from £215,846 to £277,416, leaving net profits of £256,077 (£199,243).

## CHURCHBURY ESTS.

Churchbury Estates' wholly-owned subsidiary of Churchbury Investment Co. proposes to repay the £275,054 outstanding of the 6½ per cent first mortgage debenture stock 1985-90 at 97p.

# Hartley Industrial setback but on the road to recovery

DUE BASICALLY to contractural problems on developments finished some five years ago, Hartley Industrial Trust incurred a pre-tax loss of £92,880 for the year ended March 31, 1979, compared with profits of £59,062.

However, the company is again trading profitably and should produce a reasonable profit for 1979-1980 — for the nine months to December 31, 1979, pre-tax profits were £26,796.

The directors of this property investment, development and dealing concern, who have omitted a dividend for the 1978-1979 year (0.67p), say the exceptional items are now expected to be non-recurring.

The company has a claim pending against the constructor of the buildings concerned, but as the outcome is not known directors have found it prudent to reserve for these items, and the non-recovery of service charges due to bad local administration. The matter has now been rectified, they add.

Turnover for the year was down from £440,066 to £381,843. There was a tax credit of £2,360 (£8,232 charge) and an extraordinary credit of £4,702 (nil), reducing the loss to £85,818 (£50,830 profit).

Before extraordinary items, loss per 20p share is given as 5.25p and 4.96p (2.95p earnings), after the same.

Nine months' profit, which was from a £350,045 turnover, was subject to tax of £13,800, but was before an extraordinary credit of £67,050 which boosted the balance to £80,046.

## W. A. Tyzack halfway setback

A COMBINATION of rising production costs, a strong pound, the effects of the engineers' strike and customer resistance to price increases has led to a sharp fall in first half profits for W. A. Tyzack and Company, manufacturer of precision engineering components.

The surplus fell from £215,833 to £57,646 in the half-year to January 31, 1980, before tax of £29,976 (£112,233). Last year, pre-tax profits totalled £502,015 (£541,000).

Overall, the company has an encouraging level of orders, say the directors, despite a continuing recession affecting the agricultural side. Even in the present exceptionally difficult trading conditions, they conclude, it should be possible to restore a reasonable level of profitability.

The interim dividend is maintained at 0.5p—last year's final was 1.284p.

Sales for the half year were virtually static at £2.82m (£2.8m) and earnings per 10p share are shown as 0.54p (2.06p).

## BIDS AND DEALS

# Wardle bid unconditional but closure battle still rages

Ferguson Investments, the private company especially created by Mr. Graham Ferguson Lacey, has won its battle for Bernard Wardle, the vinyl textile group which has been at the centre of a political storm over its decision to close a factory in Caernarfon in North Wales.

Yesterday Mr. Ferguson Lacey's bid went unconditional following an announcement that independent shareholders representing some 58 per cent of Wardle's equity had opted for the 33p per share cash offer.

Mr. Lacey already owned around 30 per cent through Birmingham and Midlands Counties Trust, one of his private investment vehicles, and Hamilborne, a public company controlled by him, so his holdings now total 88.4 per cent.

Immediately following the announcement of his successful takeover, Mr. Ferguson Lacey flew to Caernarfon where he met representatives of the workforce, unions and management of the factory which the present Board plans to close in May creating 320 redundancies.

The plan has been vigorously opposed by Mr. Dafydd Wigley, the local Plaid Cymru MP and Mr. Ferguson Lacey had promised him that he would review the decision if he won control of Wardle.

Yesterday Mr. Ferguson Lacey said that he could not hold out hope to the workforce but he would look at the relevant data and review the closure decision to see if it was irrevocable.

Meanwhile Mr. Wigley moved an adjournment debate in the House of Commons urging the Government to intervene to prevent the closure. This met with no success. Mr. Wyn Roberts, the Welsh Under Secretary, said that Government representatives had met the Wardle management when the closure was first announced but decided that no action was open to it. The decision had to be a management one.

Mr. Roberts also said that Mr. Wigley's separate request for a Department of Trade investigation into share movements in Wardle ahead of the bid was "still under consideration." The Stock Exchange has already begun preliminary inquiries into dealings in the days before the bid was announced.

It now remains to be seen whether Mr. Ferguson Lacey will place around 38 per cent of Wardle's equity with institutions. When making his formal offer for the group he said he intended to keep Wardle's quotation on the Stock Exchange and only wanted to retain control of 51 per cent of the company.

He recommended shareholders to accept his offer for only half their shares but this does not seem to have met with much enthusiasm.

# Sturla rights and acquisition

UNDERWRITING has been arranged for a rights issue by Sturla Holdings to raise £420,000 before expenses. Terms are two-for-five at 10p per share.

In addition, the directors propose to acquire for shares ICPS, a private company which operates in the credit life insurance and extended car warranty fields.

The initial consideration is 2m 10p ordinary shares for the net assets of ICPS valued at £100,000 plus a further £100,000 on the basis of two and a half times the warranted pre-tax profit of £40,000 for the year to January 31, 1981.

If this figure is exceeded, shares calculated at two and a half times of such excess will be issued to a maximum of £100,000 worth of shares. Shares involved in the initial consideration will participate in the rights issue.

The directors say that they will seek approval for an increase in the authorised capital to 20m shares in order to carry out the ICPS acquisition and to provide scope for further acquisitions during 1980.

On the Stock Exchange the company's shares were yesterday standing at 9½p, valuing the company at £800,000.

## C. T. BOWRING

The Secretary of State for Trade may indicate his decision next week on whether the bid by Marsh and McLennan of the U.S. for C. T. Bowring should be referred or not to the Monopolies and Mergers Commission.

Yesterday, Bowring's shares fell 6p to 126p, and there were fears in the market late in the afternoon that the bid might not be pressed by Marsh.

## FURNESS WITHY RESIGNATION

Mr. H. R. J. Hildyard, an executive director and deputy chairman of Overseas Containers, has resigned his position as non-executive director of Furness Withy to avoid and possible conflict of interest following the offer by Orient Overseas Container (Holdings) of Hong Kong, part of the C. Y. Tung group.

Furness Withy is one of the four shareholders in Overseas Containers, the UK container consortium. Orient Overseas Container (Holdings) also provides container services in some shipping trades where Overseas Containers operates.

## TIGER OATS TOPS UP BIBBY STAKE

Tiger Oats and National Milling has acquired 300,000 J. Bibby and Sons shares, taking its interest in Bibby back to 30 per cent with the approval of the City Panel. The level had changed with the recent issue of 1m shares by Bibby as part of the consideration for the acquisition of Sterilin.

## ST. PIRAN

The Takeover Panel yesterday met all the parties concerned in the share-owning controversy at St. Piran, the troubled tin mining and property group, without reaching a final decision.

The panel's investigation sought to establish whether a group of shareholders, including Gasco Investments, a company owned by Mr. Jim Raper, a former chairman of St. Piran, constituted a "concert party" which controlled more than 30 per cent of the equity and should therefore make a bid for the remainder.

A spokesman for the panel confirmed yesterday that when a decision had been reached a full statement would be published. It is believed that the decision should not be delayed by more than a matter of days.

# Results due next week

The two largest life and pensions companies in the UK, Prudential Corporation and Legal and General Group, are both reporting their 1979 results on Budget Day, together with Eagle Star Holdings. All three were badly hit by last year's severe weather in the UK in the first quarter and around the end of the year resulting in double underwriting losses for both the Pru and L and G of around £10m and £12m respectively. But this deterioration should be offset by strong investment income growth, boosted by the success of their pension managed fund operations. The Pru should show a strong rise in life profits, since in 1978 it had to pay for mistakes in the administration of its linked life subsidiary Vanbrugh Life. Earnings of £47m against £41m are anticipated for the Pru. L and G should have a more modest life profit contribution and a net income rise from £15m to £18m. Both companies should lift their dividends by about 15 per cent. The strong growth in investment income should see Eagle Star's pre-tax profits up from £51m to £65m and dividend up by a quarter.

Profits should be flowing in from the North Sea at London and Scottish Marine Oil (LASMO) when the group unveils its preliminary figures on Tuesday. After last year's loss of £12.4m, the expectation is that a net income of between £6m and £10m is possible, depending on how much petroleum revenue tax is charged. The main source of LASMO's fortunes is its stake in the Ninian field, although there could be a small contribution from Oil Exploration as well.

Analysts are expecting an increase in profits to perhaps £9.6m from Charterhouse Group which reports its preliminary figures on Thursday. This compares with a figure of £9.5m for the previous year, and the group would certainly be showing a decline in earnings but for its stake in the Thistle field. Tricentrol's results earlier this week suggest that Charterhouse will make at least £3.5m from this source, compared with £655,000 the previous year. Elsewhere, however, the news will be a little grim. Engineering, traditionally the largest single contributor to profits, was almost £1m down at the interim stage and will have suffered further in the second half. Furthermore, the group has substantial borrowings and will have been seriously affected by last year's punitive interest rates.

Hard on the heels of the C. T. Bowring figures come the preliminary results of another insurance broker, Alexander Howden Group, which is due to announce profits next Thursday. The 1979 results will not reflect the liquidity problems of the previous year although, like other insurance brokers, the general climate has not made conditions easy. Apart from stiff competition there have been unfavourable currency movements to contend with. But the sharp increase in interest rates will have provided some benefits in the second half. First-half profits were steady at just over £11m and the company has indicated that it expects the full year to show some growth over last year's £17.7m. Generally, analysts are spreading their forecasts up to £20m.

Gloomy interim news is expected from Lucas on Thursday. The market is bracing itself for as little as £15m pre-tax, though more bullish forecasters say £20m is possible. Last year it was £24.1m at the interim, depressed by motor industry and haulage strikes. The year before it was £28.6m, depressed by the toolroom strike. This time the engineering dispute is the damper. While forecasters are flexible about the interim, a relatively tight range of £63m to £65m pre-tax for the year is seen.

Outside forecasters are looking for £54m when Reckitt and Coleman produces preliminary figures on Tuesday. The drop from 1978's £61.3m follows a depressed first half in which U.S. earnings fell away £5m to £30,000, leaving interim earnings at £25m against £32m in 1978. Analysts are encouraged by better figures from R and C's Australian operations, which jumped from a 5 per cent interim year-on-year rise to around 12 per cent up for the year, likely to make up almost a third of group profits. The dividend has already been forecast at 8.5p net, against 5.9p for 1978. For the current year, the troubled American operations are on the turn, with R and C's processed potatoes likely to be in demand after a weak harvest. While 1978 profits may not be fully regained, R and C should make up a lot of the ground.

Next week's batch of figures will also include William Collins' preliminary results on Monday, interims from Paterson Zochonis on the same day, full-year figures from United Newspapers on Tuesday, interims from Harrisons Malaysian Estates and Arthur Bell on Wednesday, and final figures from Slough Estates on Wednesday and Carpets International on Thursday.

| Company | Announcement due | Dividend (p)* Last year Int. | Last year Final | This year Int. |
|---|---|---|---|---|
| **FINAL DIVIDENDS** | | | | |
| Appleyard Group of Companies | Wednesday | 2.25 | 4.0 | 2.25 |
| A.P.V. Holdings | Thursday | 2.2907† | 4.245 | 2.8 |
| Associated Book Publishers | Thursday | 1.9381a | 3.2299 | 2.8 |
| Bambers Stores | Tuesday | 0.95107 | 0.6333 | 0.85 |
| Bemrose Corporation | Tuesday | 2.1663k | 2.1373 | 2.233 |
| Beradin Rubber | Tuesday | 1.5 | 1.5 | 1.8 |
| Beerobell | Thursday | 3.7783j | | |
| Brent Chemicals International | Tuesday | 1.0m | 3.0‡ | 1.0 |
| British Mohair Spinners | Thursday | 0.7984 | 2.3426 | 0.9581 |
| Canning (W.) | Monday | 1.65 | 2.254 | 1.724 |
| Carpets International | Thursday | 1.675 | 3.325 | 1.75 |
| Cartwright (R.) Holdings | Wednesday | 1.5 | 2.56061 | 1.725 |
| Charterhouse Group | Thursday | 2.2405 | 0.9226 | 1.6 |
| Clifford's Dairies | Wednesday | — | 2.128 | 0.8 |
| Coates Brothers | Thursday | 0.8888q | 1.73074 | 0.88 |
| Collins (Wm.) & Sons Holdings | Monday | 2.086 | 3.094 | — |
| Duley Bitumastic | Tuesday | 0.6n | 1.75749 | 1.2 |
| Early (Chas.) & Marriott (Witney) | Friday | 0.315 | 1.8972 | 0.316 |
| Equity and Law Life Assurance Society | Tuesday | — | 7.85r | 4.0 |
| Expanded Metal | Tuesday | 1.75 | 2.34538 | 2.0 |
| Firmin & Sons | Friday | 0.7048r | 1.37172 | 1.0 |
| F. C. Finance | Friday | 1.1 | 1.1 | 1.1 |
| Friedland Doggart Group | Thursday | 1.34 | 2.1518 | 1.75 |
| Garton Engineering | Tuesday | 3.046u | 3.365 | 3.3v |
| Hawley Leisure | Monday | 0.05 | 0.05 | 0.3 |
| Home Counties Newspapers | Friday | 1.5 | 3.5 | 2.0 |
| Howden (Alexander) Group | Thursday | 2.5 | 4.5 | 3.5 |
| Hurst (Charles) | Friday | 2.66 | 3.3 | 2.66 |
| Ibstock Johnsen | Friday | 1.375 | 2.0548 | 1.5 |
| Lone (Percy) Group | Thursday | 1.23b | 2.11 | 0.75 |
| Legal and General Group | Wednesday | — | — | 2.6 |
| Leyland Paint & Wallpaper | Thursday | 1.03639 | 1.0 | 1.0 |
| Lovell (G. F.) | Monday | 2.0 | — | 3.0 |
| Manders (Holdings) | Thursday | 0.904 | 2.41 | 1.2 |
| Matthews (Bernard) | Friday | 4.578d | 5.7 | 8.5 |
| Mixconcrete (Holdings) | Thursday | 1.4281 | 2.139 | 1.55 |
| Municipal Properties | Thursday | — | 5.805 | — |
| North British Canadian Inv. | Friday | 1.25 | 2.05 | 1.5 |
| Ofrex Group | Thursday | 1.21o | 2.39 | 1.4 |
| Prudential Corporation | Wednesday | 2.737 | 5.263 | 3.5 |
| Queens Moat Houses | Monday | 0.25 | 0.2657 | 0.375 |
| Quick (H. & J.) | Monday | 0.88 | 0.948 | 1.06 |
| Reckitt & Colman | Tuesday | 2.6 | 3.32669 | 3.5 |

| Company | Announcement due | Dividend (p)* Last year Int. | Last year Final | This year Int. |
|---|---|---|---|---|
| Rotork | Wednesday | 0.65 | 0.86 | 1.0 |
| Slough Estates | Wednesday | 0.66667 | 1.0195 | 0.9 |
| Spirax-Sarco Engineering | Tuesday | 2.13931 | 2.86 | 2.5 |
| Stag Furniture Holdings | Tuesday | 2.3 | 4.2 | 3.5 |
| United Newspapers | Tuesday | 6.5g | 9.23248 | 9.0 |
| Western Motor Holdings | Thursday | 1.0233p | 1.45771 | 1.0 |
| Wills (Geo.) & Sons Holdings | Wednesday | 0.92125 | 2.42875 | 1.5 |
| Wolf Electric Tools (Holdings) | Thursday | 0.625 | 0.78944 | 0.9133h |
| Wolstenholme Rink | Tuesday | 1.785 | 3.215 | 2.5 |
| Yorkshire Chemicals | Thursday | 2.39525 | 2.44382 | 2.39525 |
| **INTERIM DIVIDENDS** | | | | |
| Banks (Sidney C.) | Thursday | 1.5 | 3.0 | |
| Beazer (C. H.) Holdings | Monday | 1.9 | 3.7 | |
| Bell (Arthur) & Sons | Wednesday | 1.76785 | 3.52 | |
| Blue Bird Confectionery Holdings | Thursday | 1.26 | 2.52 | |
| British Car Auction Group | Monday | 0.67 | 2.2 | |
| Chambers & Fargus | Monday | 0.25 | 0.5 | |
| A. B. Electronic Products Group | Wednesday | 2.5 | 4.5 | |
| Fairview Estates | Tuesday | 1.75 | 5.157 | |
| Harrisons Malaysian Estates | Wednesday | 1.6 | 5.01 | |
| Howden Group | Thursday | 1.8 | 1.33 | |
| Lake & Elliot | Friday | 1.928 | 2.772 | |
| Lucas Industries | Thursday | 2.5674 | 8.4328 | |
| Macallan-Glenlivet | Friday | 2.0301 | 3.8744 | |
| Mucklow (A. & J.) Group | Monday | 1.32 | 1.9168 | |
| Paterson Zochonis | Monday | 3.3 | 5.7 | |
| Ricardo Consulting Engineers | Tuesday | 2.75 | 4.25 | |
| Scottish Cities Investment Trust | Monday | 4.0 | 6.0 | |
| Scottish Metropolitan Property | Friday | 0.9 | 1.6 | |
| Sirdar | Wednesday | 1.0 | 3.0 | |
| Standard Industrial Group | Tuesday | 1.714 | 1.94s | |
| **INTERIM FIGURES** | | | | |
| Centrovincial Estates | Thursday | | | |
| Eagle Star Holdings | Wednesday | | | |

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Includes special interim of 0.0561p. ‡ Special dividend of 0.56p in view of cessation of dividend controls. ¶ Second interim. The following are compensating dividends included to allow for the change in the tax rate: a 0.0388. b 0.03. c 0.028359. d 0.078. e 0.03. f 0.0393. g 0.12263. h 0.06333. j 0.09832. k 0.029. m 0.03314. n 0.012494. p 0.02335. q 0.02348. r 0.03722. [illegible] t 0.1 u 0.015 v 0.15

| SPAIN March 21 | Price % | + or − |
|---|---|---|
| Banco Bilbao | 222 | +2 |
| Banco Central | 246 | −2 |
| Banco Exterior | 206 | |
| Banco Hispano | 217 | −0.7 |
| Banco Ind. Cat. | 130 | |
| Banco Madrid | 154 | |
| Banco Santander | 264 | |
| Banco Urquijo | 184 | −3 |
| Banco Vizcaya | 228 | |
| Banco Zaragoza | 201 | |
| Dragados | 100 | |
| Espanola Zinc | 61 | |
| Fecsa | 57.2 | |
| Gal. Preciados | 32 | −1 |
| Hidrola | 64.5 | +0.5 |
| Iberduero | 58.2 | +0.2 |
| Petroleos | 106.5 | +0.3 |
| Petroliber | 59 | −4 |
| Sogefisa | 107 | |
| Telefonica | 54.2 | +0.2 |
| Union Elect. | 63.5 | +0.8 |



CORAL INDEX: Close 426-431 (−5)

# SUMMARY OF THE WEEK'S COMPANY NEWS

## Take-over bids and deals

**Waring and Gillow** emerged as the hitherto unnamed bidder for Maple, the furniture retailer, offering 30p per share to value Maple at £8.56m. The terms are said to be similar to those made privately earlier this month by Waring and Gillow and, like that bid, have been rejected.

**Ward White** announced its first major move into the U.S. via an agreed $15.25 (£7m) acquisition of Childs, a privately-owned Pittsburgh company which markets safety footwear to industrial concerns.

**RTZ Chemicals**, part of Rio Tinto Zinc, is to sell Sterling Thermoplastics to Ato Chemical Products, a subsidiary of the French-based Ato Chimie group, for an estimated £8m.

| Company bid for | Value of bid per share** | Market price** | Price before bid | Value of bid £m's** | Bidder | Final Acc't'ce date |
|---|---|---|---|---|---|---|
| Bowring (C. T.) | 160§§ | 126 | 141 | 175.2 | Marsh and McLennan | — |
| City & Intl. Tst. | 153 | 131 | 126†† | 20.9 | Guthrie | — |
| CompAir | 105§§ | 97 | 95½ | 58.09 | I. C. Gas | 24/3 |
| Cray Elect. | 31*§ | 38 | 35†† | 0.93 | Thrgmrtn. Tst. | — |
| Decca | 639 | 610 | 355 | 46.19 | Racal Electronics | 1/4 |
| Decca 'A' | 533 | 505 | 320 | 61.73 | Racal Electronics | 1/4 |
| Doloi Tea | 270* | 260 | 215 | 0.29 | Tategold | — |
| Furness Withy | 420* | 380 | 332 | 112.5 | C. Y. Tung | — |
| Hendersn.-Kenton | 223§§† | 212 | 118 | 14.30 | Harris Queensway | — |
| Hoffnung (S.) | 80* | 82½ | 74½ | 14.10 | Burns Philp | — |
| Lond. & Prvncl. Poster | 500*§ | 478 | 287†† | 9.12 | Reed Intl. | — |
| Maple | 30§§ | 31 | 27½ | 8.40 | Warring & Gilow | — |
| Morgan Edwards | 123§§ | 118 | 123 | 4.26 | Edwrds. (L C) | — |
| Nationwide Leisure | 6*§ | 6½ | 9 | 0.66 | Rantlodge | — |
| Norrington (H.) | 21* | 22½ | 16†† | 0.80 | Burgess (F H) | 2/4 |
| Norwest Holst | 145§ | 134 | 118†† | 5.67 | Wexcourt | — |
| Polly Peck¶¶ | 9* | 20 | 7½ | 0.47 | Restro Inv. | 31/3 |
| Royco | 50* | 38 | 41 | 5.00 | Bonnerpark | — |
| Serk | 77½* | 67 | 74½ | 32.95 | Rockwell | — |
| Status Discount | 76 | 72 | 69†† | 30.4 | MFI | — |
| Turner (W. E.) | 87½* | 82 | 48†† | 9.07 | J. Hepworth | — |
| Viking Oil | 300*‡ | £10⅜ | 810 | — | Deminex | — |
| Viking Oil | 400*‡ | £10⅜ | 910†† | — | Sun Co. | — |
| Viking Oil | 450*‡ | £10⅜ | £10½ | — | Hunt. Int. Petroleum | — |
| Wardle (B.)¶¶ | 33*§ | 30 | 28½ | 4.15 | Ferguson Invs. | — |
| West of England Trust | 107½ | 100 | 76†† | 17.26 | Globe Invest. Trust | — |

Prices in pence unless otherwise indicated.

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. || Date on which scheme is expected to become operative. ** Based on 21/3/80. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ‡ Plus royalties.

## PRELIMINARY RESULTS

| Company | Year to | Pre-tax profit (£000) | | Earnings* per share (p) | | Dividends* per share (p) | |
|---|---|---|---|---|---|---|---|
| Banro Consd. | Dec. | 1,160 | (1,070) | 17.2 | (9.9) | 3.0 | (2.2) |
| Barclays Bank | Dec. | 529,400 | (373,300) | 150.5 | (105.3) | 18.5 | (13.54) |
| Beatson Clark | Dec. | 1,620 | (2,380) | 33.1 | (60.2) | 8.4 | (7.0) |
| Boddingtons | Dec. | 4,006 | (3,094) | 10.0 | (9.2) | 3.75 | (2.91) |
| Bowring (C. T.) | Dec. | 38,500 | (38,400) | 17.8 | (18.1) | 6.0 | (3.36) |
| Brit. Aluminium | Dec. | 20,630 | (25,100) | 36.3 | (48.7) | 13.5 | (12.5) |
| Bronx Engng. | Nov. | 624 | (317) | 4.8 | (2.3) | 2.1 | (1.76) |
| BTR | Dec. | 57,200 | (40,100) | 30.7 | (24.6) | 11.5 | (7.3) |
| Clay (Richard) | Dec. | 2,010 | (1,900) | 14.9 | (13.8) | 3.5 | (2.94) |
| Comben Group | Dec. | 5,000 | (1,470)† | 12.3 | (6.1) | 2.55 | (1.7)† |
| DRG | Dec. | 27,700 | (23,800) | 20.8 | (17.6) | 8.5 | (7.82) |
| Electric & Genrl. | Feb.§ | 398‖ | (288)‖ | 2.2 | (1.6) | — | (—) |
| Fairclough Const. | Dec. | 10,166 | (9,555) | 11.1 | (16.0) | 4.0 | (3.5) |
| Fisher (James) | Dec. | 3,320 | (2,250) | 24.9 | (17.9) | 3.5 | (1.14) |
| Hall Engineering | Dec. | 6,300 | (5,300) | 51.6 | (43.6) | 7.0 | (4.94) |
| Hpwrth. Ceramic | Dec. | 36,170 | (30,410) | 20.9 | (15.7) | 5.0 | (3.69) |
| Horizon Travel | Nov. | 3,820 | (2,960) | 30.7 | (26.1) | 7.35 | (5.64) |
| House of Lerose | Dec. | 1,190 | (1,210) | 10.9 | (11.5) | 5.26 | (4.38) |
| Ingham (George) | Dec. | 19 | (8)L | 0.9 | (—) | 0.25 | (0.25) |
| Inveresk Group | Dec. | 526 | (509) | 0.9 | (0.5) | 2.0 | (2.83) |
| Invrgdn. Distillers | Dec. | 4,180 | (2,460) | 19.3 | (14.6) | 4.0 | (1.84) |
| Jacobs (John) | Dec. | 1,360 | (806) | 2.8 | (2.4) | 2.1 | (1.9) |
| Jones & Shipman | Dec. | 2,540 | (2,920) | 30.3 | (26.9) | 7.05 | (6.4) |
| Lex Service | Dec. | 22,800 | (18,000) | 30.8 | (27.7) | 7.0 | (4.5) |
| Liverpool Post | Dec. | 4,110 | (4,020) | 2.3 | (3.3) | 9.5 | (8.11) |
| Lond. & Mnchstr. | Dec. | 2,460¶ | (2,140)¶ | 10.8 | (9.4) | 12.5 | (10.8) |
| Mackay (Hugh) | Dec. | 535 | (650) | 8.5 | (7.7) | 3.62 | (3.62) |
| Manor National | Dec. | 1,220 | (1,010) | 6.4 | (7.3) | 2.5 | (2.14) |
| McCleery L'Amie | Dec. | 33L | (414) | 1.0 | (3.9) | 0.5 | (0.5) |
| Metal Closures | Dec. | 5,810 | (5,812) | 20.4 | (18.1) | 5.4 | (4.71) |
| Molins | Dec. | 11,000 | (11,600) | 27.8 | (22.4) | 5.7 | (5.7) |
| Montagu Boston | Jan. | 309 | (269) | 56.9 | (59.8) | 1.05 | (0.88) |
| Norvic Secs. | Dec. | 144 | (115) | 1.4 | (1.1) | 1.2 | (0.8) |
| Padang Senang | Sept. | 150 | (143) | 3.2 | (2.8) | 2.0 | (1.6) |
| Pittard Group | Dec. | 1,469 | (1,064) | 16.5 | (11.9) | 4.0 | (3.1) |
| Reylon PBWS | Dec. | 1,850 | (1,490) | 14.2 | (10.6) | 6.0 | (4.46) |
| Sharpe & Fisher | Dec. | 1,520 | (1,220) | 6.1 | (5.2) | 1.75 | (1.39) |
| Smith & Nephew | Dec. | 32,154 | (21,177) | 9.8 | (9.6) | 3.65 | (2.71) |
| Spencer (George) | Dec. | 329 | (455) | 5.8 | (6.7) | 3.06 | (2.75) |
| Steetley | Dec. | 23,507 | (20,360) | 38.8 | (32.6) | 10.5 | (7.26) |
| Stone-Platt | Dec. | 2,938L | (9,509) | — | (24.3) | 1.4 | (4.04) |
| Tate of Leeds | Dec. | 682 | (481) | 54.7 | (40.3) | 1.25 | (1.25) |
| Tilling (Thos.) | Dec. | 81,100 | (64,900) | 29.4 | (24.6) | 7.0 | (4.82) |
| Tomatin Dstlrs. | Dec. | 840 | (875) | 13.5 | (14.1) | 3.75 | (3.38) |
| Trade Indemnity | Dec. | 4,710 | (3,590) | 32.7 | (24.1) | 5.6 | (4.69) |
| Tricentrol | Dec. | 21,271 | (8,006) | 21.4 | (14.9) | 7.0 | (1.68) |
| Tube Investments | Dec. | 52,200 | (80,000) | 53.3 | (84.8) | 25.5 | (23.4) |
| Vosper | Oct. | 1,350 | (1,690) | 12.2 | (12.9) | 4.6 | (5.19) |
| Ward White | Dec. | 5,790 | (4,840) | 39.1 | (21.9) | 4.2 | (2.88) |
| Watmoughs | Dec. | 1,504 | (1,104) | 28.2 | (21.5) | 4.3 | (3.04) |
| Weir Group | Dec. | 2,080 | (7,600) | 1.4 | (20.6) | 1.86 | (5.72) |
| Wilkes (James) | Dec. | 280 | (576) | 7.2 | (15.6) | 4.13 | (4.13) |
| Winston Estates | Dec. | 408 | (277) | 2.6 | (1.9) | 1.75 | (1.42) |

## Rights Issues

**Watmoughs:** Rights issue on the basis of one for four at 110p per share raising £1.3m.

† Approximate figure before expenses.

## Offers for sale, placings and Introductions

**Trust of Property Shares:** Placing 2.7m ordinary 5p shares at 10p per share.

## INTERIM STATEMENTS

| Company | Half-year to | Pre-tax profit (£000) | | Interim dividends* per share (p) | |
|---|---|---|---|---|---|
| Aberdeen Land | Dec. | 756 | (145) | 3.5 | (2.5) |
| Abwood Machine | Sept. | 39L | (35) | — | (0.4) |
| Armstrong Equip. | Dec. | 4,310 | (4,270) | 1.01 | (0.88) |
| Barratt Devlpmts. | Dec. | 11,510 | (8,160) | 3.5 | (2.9) |
| Bejam Group | Dec. | 4,100 | (2,740) | 1.0 | (0.58) |
| Brooke Bond | Dec. | 24,208 | (17,982) | 1.25 | (0.92) |
| Capseals | Dec. | 857 | (806) | 1.5 | (0.97) |
| Cope Allman | Dec. | 5,714 | (5,431) | 1.79 | (1.7) |
| Courtney Pope | Nov. | 440 | (425) | 1.2 | (1.2) |
| Green (R.) Props. | Dec. | 742 | (591) | 0.7 | (0.61) |
| Hampson Inds. | Sept. | 321 | (274) | 0.28 | (0.25) |
| Lawtex | Dec. | 271 | (157) | 1.88 | (1.65) |
| Lond. Scot. Fnce. | Jan. | 351 | (375) | 0.53 | (0.46) |
| Makin Paper Mills | Sept. | 555 | (474) | 1.0 | (0.48) |
| Mills & Allen | Dec. | 4,730 | (3,030) | 4.0 | (2.73) |
| Photo-Me | Oct. | 1,430 | (1,420) | 3.15 | (2.21) |
| Pressac Holdings | Jan. | 276 | (556) | 0.51 | (0.51) |
| Stothert & Pitt | Jan. | 926L | (709) | — | (2.65) |
| Strong & Fisher | Dec. | 670 | (768) | 2.8 | (2.08) |
| Thorpe (F. W.) | Dec. | 400 | (378) | 1.0 | (0.73) |
| Trafford Park | Dec. | 705 | (547) | 2.25 | (1.96) |
| Walker (James) | Dec. | 1,330 | (1,100) | 1.0 | (0.83) |
| Waring & Gillow | Sept. | 2,103‡ | (2,136)‡ | 1.5 | (1.09) |
| Wolseley Hughes | Jan. | 7,700 | (5,400) | 4.4 | (3.66) |

(Figures in parentheses are for corresponding period.)

Dividends shown net except where otherwise stated.

* Adjusted for any intervening scrip issue. † For previous nine months. ‡ Net profit after all charges including tax. ¶ Net profit. § For nine months. ‖ Earnings after taxation. L Loss.

## Scrip Issues

Barclays Bank: One for five.
Boddingtons Breweries: One for two.
Bronx Engineering Holdings: One for one.
James Fisher and Sons: One for one.
A. A. Jones and Shipman: One for one.
Padang Senang: One for one.
Reylon PBWS: One for four.

---

**The Association of Investment Trust Companies**

# THE INVESTMENT TRUST TABLE

The figures in the columns below are based on information supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures are unaudited.

*as at close of business on Monday 17th March 1980* — Geographical Spread at 29th February 1980

| Total Assets less Current Liabilities (1) £ million | Company (2) | Share Price (3) pence | Yield (4) % | Net Asset Value (5) pence | UK (6) % | Nth. Amer. (7) % | Japan (8) % | Other (9) % | Total Return on N.A.V. over 5 years to 29.2.80 (10) base = 100 |
|---|---|---|---|---|---|---|---|---|---|
| | VALUATION MONTHLY | | | | | | | | |
| 143 | Alliance Trust | 186 | 7.7 | 274 | 69 | 22 | 2 | 7 | 168 |
| 121 | British Invest. Trust | 138 | 6.5s | 186 | 76 | 19 | 4 | 1 | † |
| 12 | Grange Trust | 88 | 5.2 | 112 | 75 | 20 | 1 | 4 | 195 |
| 70 | Great Northern Invest. Trust | 96 | 8.0s | 140 | 81 | 8 | 1 | 10 | 198 |
| 78 | Investors Capital Trust | 75 | 4.8s | 109 | 53 | 31 | 7 | 9 | 184 |
| 17 | Jardine Japan Invest. Trust | 84 | 1.8 | 103 | 19 | — | 71 | 10 | 98 |
| 13 | xSave & Prosper Linked Invest. Trust | 62 | — | 158 | 100 | — | — | — | 243 |
| 128 | Scottish Invest. Trust | 90 | 6.2 | 132 | □58 | 27 | 3 | 12 | † |
| 64 | Scottish Northern Invest. Trust | 78 | 5.4 | 109 | 72 | 25 | — | 3 | 229 |
| 113 | Scottish United Investors | 58 | 5.3 | 82 | 40 | 37 | 5 | 18 | 196 |
| 47 | Second Alliance Trust | 158 | 7.2 | 234 | 69 | 22 | 2 | 7 | 167 |
| 4 | Shires Investment Co. | 125 | 11.1 | 147 | 100 | — | — | — | 213 |
| 82 | United States Debenture Corpn. | 83 | 8.2s | 116 | 71 | 28 | — | 1 | † |
| | Baillie Gifford & Co. | | | | | | | | |
| 111 | Scottish Mortgage & Trust | 103 | 6.0 | 150 | 51 | 31 | 3 | □15 | 174 |
| 59 | Monks Invest. Trust | 49 | 6.6 | 68 | 53 | 31 | 3 | □13 | 178 |
| 15 | Winterbottom Trust | 208 | 5.2 | 292 | 48 | 35 | 3 | □14 | 192 |
| | Baring Bros & Co. Ltd. | | | | | | | | |
| 42 | Outwich Invest. Trust | 60 | 4.8 | 79 | 68 | 16 | 1 | 15 | 202 |
| 27 | Tribune Invest. Trust | 68 | 4.3s | 99 | 51 | 23 | 3 | 23 | 184 |
| | City Financial Administration Ltd. | | | | | | | | |
| 76 | "Investing in Success" Equities | 160 | 3.7s | 229 | 25 | 33 | 19 | 23 | 203 |
| | East of Scotland Invest. Managers | | | | | | | | |
| 45 | Aberdeen Trust | 92 | 6.9 | 131 | 81 | 18 | — | 1 | † |
| | Edinburgh Fund Managers Ltd. | | | | | | | | |
| 62 | American Trust | 42 | *5.4 | 64 | □62 | 35 | 2 | 1 | 210 |
| 10 | Crescent Japan Invest. Trust | 124 | 2.9 | 153 | — | — | 100 | — | 124 |
| 13 | General Scottish Trust | 84 | 7.7 | 119 | 72 | 19 | 4 | 5 | 223 |
| 8 | Wemyss Invest. Co. | 271 | 7.9 | 374 | 75 | 14 | — | 11 | 177 |
| | Electra Group Services | | | | | | | | |
| 77 | Electra Invest. Trust | 118 | 7.6s | 151 | 75 | 16 | — | 9 | † |
| ɸ | Globe Invest. Trust | 129 | 7.3s | ɸ | ɸ | ɸ | ɸ | ɸ | ɸ |
| 38 | Temple Bar Invest. Trust | 96 | 9.9s | 128 | 94 | 5 | — | 1 | † |
| | F & C Group | | | | | | | | |
| 24 | Alliance Invest. Co. | 126 | 4.9s | 154 | 65 | 13 | 7 | 15 | 216 |
| 24 | Cardinal Invest. Trust | 94 | 6.2s | 138 | 63 | 13 | 2 | 22 | 218 |
| 6 | F & C Eurotrust | 52 | 3.3 | 58 | 34 | 2 | — | 64 | 113 |
| 190 | Foreign & Colonial Invest. Trust | 78 | 5.4 | 119 | 62 | 20 | 7 | 11 | 196 |
| † | General Investors & Trustees | 124 | 5.5s | † | † | † | † | † | † |
| | James Finlay Invest. Management Ltd. | | | | | | | | |
| 2 | Provincial Cities Trust | 30 | 8.6 | 36 | 95 | — | — | 5 | † |
| | GT Management Ltd. | | | | | | | | |
| 22 | Berry Trust | 87 | 2.1 | 114 | 37 | 20 | 8 | 35 | 276 |
| 18 | GT Japan Invest. Trust | 158 | 5.4 | 171 | 2 | 1 | 56 | 41 | 213 |
| 9 | Northern Securities Trust | 141 | 4.1 | 210 | 51 | 11 | 6 | 32 | 231 |
| | Gartmore Invest. Ltd. | | | | | | | | |
| 7 | xAltifund Ltd. | 194 | 0.4 | 280 | 94 | 2 | — | 4 | † |
| 24 | Anglo-Scottish Invest. Trust | 44 | 6.8s | 66 | 67 | 22 | — | 11 | 186 |
| 26 | English & Scottish Investors | 85 | *5.5 | 125 | 57 | 23 | 1 | 19 | 204 |
| 8 | Group Investors | 67 | 5.1 | 101 | □55 | 34 | 2 | 9 | 288 |
| 6 | London & Gartmore Invest. Trust | 74 | 1.4 | 101 | 43 | 21 | 1 | 35 | 179 |
| 9 | London & Lennox Invest. Trust | 53 | *5.6 | 76 | 55 | 32 | — | 13 | 225 |
| 23 | London & Lomond Invest. Trust | 75 | 6.5s | 106 | 74 | 19 | — | 7 | 218 |
| 12 | London & Strathclyde Trust | 50 | 5.1s | 68 | 65 | 21 | — | 14 | 199 |
| 14 | Meldrum Invest. Trust | 54 | 6.6s | 71 | 96 | — | — | 4 | 242 |
| | Gartmore Invest. (Scotland) Ltd. | | | | | | | | |
| 74 | Scottish National Trust | 146 | 4.6s | 208 | 62 | 22 | 2 | 14 | 193 |
| 19 | Glasgow Stockholders Trust | 101 | 4.9s | 153 | 58 | 24 | — | 18 | 199 |
| | John Govett & Co. Ltd. | | | | | | | | |
| 87 | Border & Southern Stckhldrs. Trust | 55 | 5.8s | 84 | 64 | 19 | 8 | 9 | 197 |
| 13 | General Stckhlders. Invest. Trust | 115 | 3.6s | 175 | 53 | 32 | 5 | 10 | 206 |
| 65 | Lake View Invest. Trust | 92 | 4.8s | 135 | 65 | 17 | 8 | 10 | 198 |
| 67 | Stockholders Invest. Trust | 90 | 4.8s | 138 | 51 | 38 | 7 | 4 | 199 |
| | Hambros Group | | | | | | | | |
| 24 | Bishopsgate Trust | 192 | 5.6s | 280 | 72 | 23 | 1 | 4 | 222 |
| 5 | City of Oxford Invest. Trust | 80 | 7.8 | 107 | 99 | — | — | 1 | 273 |
| 49 | Hambros Invest. Trust | 107 | 5.9 | 164 | □69 | 26 | — | 5 | 218 |
| 6 | xRosedimond Invest. Trust | 91 | — | 124 | 99 | — | — | 1 | 285 |
| | Henderson Administration Ltd. | | | | | | | | |
| 119 | Witan Investment Co. | 83 | 5.6 | 129 | 62 | 23 | 10 | 5 | 176 |
| 22 | Electric & General Invest. Co. | 75 | 3.9 | 112 | 65 | 24 | 5 | 6 | 165 |
| 6 | Greenfriar Invest. Co. | 94 | 3.0 | 139 | 54 | 19 | 7 | 20 | 203 |
| 6 | Lowland Invest. Co. | 60 | 7.6 | 76 | 92 | — | — | 8 | 240 |
| | Philip Hill (Management) Ltd. | | | | | | | | |
| 21 | City & International Trust | 122 | 6.7 | 143 | 79 | 16 | 1 | 4 | 219 |
| 11 | General & Commercial Invest. Trust | 150 | 7.2 | 198 | 78 | 17 | — | 5 | 215 |
| 24 | General Consolidated Invest. Trust | 90 | 8.1s | 121 | 80 | 17 | — | 3 | 226 |
| 124 | Philip Hill Invest. Trust | 87 | 7.9 | 119 | 81 | 16 | — | 3 | 216 |
| 6 | Moorgate Invest. Co. | 124 | 6.9 | 127 | 91 | 6 | — | 3 | 312 |
| 36 | Nineteen Twenty-Eight Invest. Trust | 66 | 7.7 | 90 | 72 | 24 | 1 | 3 | 187 |
| | Industrial & Commercial Fin. Corpn. | | | | | | | | |
| 12 | London Atlantic Invest. Trust | 87 | 6.3 | 99 | 88 | 8 | — | 4 | 287 |
| † | North British Canadian Invest. Co. | 106 | 4.8 | † | † | † | † | † | † |
| | Investment Trust Services Ltd. | | | | | | | | |
| 27 | Capital & National Trust | 114 | *7.2 | 172 | 73 | 15 | 3 | 9 | 207 |
| 13 | Claverhouse Invest. Trust | 96 | 8.0s | 126 | 99 | 1 | — | — | 280 |
| 13 | Crossfriars Trust | 91 | 7.6 | 126 | 100 | — | — | — | 261 |
| 59 | Guardian Invest. Trust | 77 | 5.8s | 114 | 83 | 9 | 3 | 5 | 193 |
| 35 | London & Holyrood Trust | 108 | 6.0s | 156 | 71 | 17 | 3 | 9 | 195 |
| 25 | London & Montrose Invest. Trust | 177 | 6.2 | 254 | 66 | 21 | 4 | 9 | 193 |
| 46 | London & Provincial Trust | 100 | 6.1s | 145 | 66 | 22 | 3 | 9 | 188 |
| 106 | Mercantile Invest. Trust | 46 | 7.2s | 63 | 62 | 23 | 3 | □12 | 197 |
| 41 | Sterling Trust | 165 | 7.0s | 236 | 75 | 20 | 3 | 2 | 185 |
| 28 | Technology Invest. Trust | 98 | 5.2s | 139 | 69 | 26 | 3 | 2 | 185 |
| 73 | United British Securities Trust | 115 | 7.4 | 163 | 71 | 18 | 3 | 8 | 189 |
| 22 | United States & General Trust | 185 | 6.7s | 268 | 74 | 18 | 5 | 3 | 196 |
| | Ivory & Sime Ltd. | | | | | | | | |
| 65 | Atlantic Assets Trust | 156 | 0.9 | 213 | □44 | 50 | 1 | 5 | 355 |
| 109 | British Assets Trust | 75 | 6.1s | 98 | 51 | 43 | — | 6 | 234 |
| 39 | Edinburgh American Assets Trust | 56 | 1.8 | 76 | 31 | 58 | 3 | 8 | 242 |
| 24 | Viking Resources Trust | 173 | 1.1s | 223 | 38 | 56 | — | 6 | 359 |
| | Keyser Ullmann Ltd. | | | | | | | | |
| 11 | xThrogmorton Secured Growth Trust | 91 | — | 154 | 100 | — | — | — | 220 |
| 50 | Throgmorton Trust | 86 | 9.2 | 113 | 100 | — | — | — | 333 |
| | Kleinwort Benson Ltd. | | | | | | | | |
| 28 | British American & General Trust | 37 | 8.3s | 54 | 75 | 17 | 3 | 5 | † |
| 24 | Brunner Invest. Trust | 105 | 6.7 | 145 | 64 | 25 | 4 | 7 | † |
| 39 | Charter Trust & Agency | 52 | 7.8s | 77 | 75 | 17 | 4 | 4 | † |
| 41 | English & New York Trust | 68 | 7.6s | 100 | 70 | 22 | 2 | 6 | † |
| 5 | Family Invest. Trust | 113 | 7.0 | 117 | 97 | — | — | 3 | † |
| 3 | Jos Holdings | 54 | 7.5s | 67 | 84 | 8 | 3 | 5 | 212 |
| 7 | London Prudential Invest. Trust | 83 | 7.3 | 110 | 74 | 17 | 2 | 7 | 258 |
| 51 | Merchants Trust | 70 | 7.7 | 98 | 66 | 26 | 3 | 5 | 205 |
| | Lazard Bros & Co. Ltd. | | | | | | | | |
| 48 | Raeburn Invest. Trust | 112 | 7.0s | 167 | 69 | 23 | 1 | 7 | 165 |
| 37 | Romney Trust | 80 | 6.6s | 120 | 60 | 33 | 2 | 5 | † |
| | Martin Currie & Co. CA | | | | | | | | |
| 11 | Canadian & Foreign Invest. Trust | 99 | 6.9 | 154 | 71 | 26 | 1 | 2 | 188 |
| 19 | St. Andrew Trust | 115 | 7.0s | 160 | 72 | 21 | 3 | 4 | 182 |
| [illegible] | Scottish Eastern Invest. Trust | 57 | 7.1s | 85 | 65 | 29 | 3 | 3 | 180 |
| [illegible] | Scottish Ontario Invest. Co. | 57 | 7.0 | 80 | 62 | 29 | 4 | 5 | 165 |
| 53 | Securities Trust of Scotland | 81 | 7.6 | 120 | 69 | 23 | 5 | 3 | 177 |
| | Murray Johnstone Ltd. | | | | | | | | |
| 44 | Murray Caledonian Invest. Trust | 43 | *4.8 | 67 | 47 | 33 | 7 | 13 | 176 |
| 65 | Murray Clydesdale Invest. Trust | 42 | *5.0 | 63 | 45 | 35 | 7 | 13 | 176 |
| 16 | Murray Glendevon Invest. Trust | 83 | *3.7 | 124 | 50 | 28 | 8 | 14 | 186 |
| 7 | Murray Minor Invest. Trust | 69 | *5.0 | 100 | 53 | 33 | 8 | 6 | 200 |
| 22 | Murray Northern Invest. Trust | 48 | *4.7 | 74 | 44 | 35 | 7 | 14 | 177 |
| 73 | Murray Western Invest. Co. | 53 | *5.7 | 80 | 47 | 34 | 7 | 12 | 176 |
| | J Henry Schroder Wagg Group | | | | | | | | |
| 22 | Ashdown Invest. Trust | 132 | 6.1s | 192 | 61 | 30 | 5 | 4 | 188 |
| 7 | Australian & International Trust | 91 | 5.3 | 123 | 33 | 10 | 1 | 56 | 143 |
| 29 | Broadstone Invest. Trust | 135 | 6.7s | 205 | 58 | 33 | 4 | 5 | 196 |
| 54 | Continental & Industrial Trust | 196 | 5.6s | 288 | 67 | 31 | — | 2 | 206 |
| 29 | Trans-Oceanic Trust | 164 | 5.9s | 237 | 55 | 35 | 4 | 6 | 189 |
| 13 | Westpool Invest. Trust | 102 | 5.6s | 142 | 58 | 31 | 6 | 5 | 188 |
| | Stewart Fund Managers Ltd. | | | | | | | | |
| 74 | Scottish American Invest. Co. | 95 | 5.3 | 121 | 56 | 31 | 1 | 12 | 249 |
| 9 | Scottish European Invest. Co. | 36 | 6.6 | 48 | 7 | — | — | 93 | 114 |
| | Touche Remnant & Co. | | | | | | | | |
| 105 | Atlas Electric & General Trust | 60 | 5.4 | 90 | 68 | 13 | 3 | 16 | 219 |
| 33 | Bankers' Invest. Trust | 55 | 7.9 | 82 | 80 | 13 | 1 | 6 | 184 |
| 16 | CLRP Invest. Trust | 67 | 6.0 | 101 | 68 | 10 | — | 22 | 182 |
| 32 | Cedar Invest. Trust | 69 | 8.3 | 94 | 76 | 10 | 3 | 11 | 184 |
| 44 | City of London Brewery & Inv. Trust | 61 | 8.2 | 88 | 96 | 1 | — | 3 | 205 |
| 29 | Continental Union Trust | 107 | 6.0 | 161 | 65 | 17 | 2 | 16 | 191 |
| 191 | Industrial & General Trust | 55 | 5.8 | 81 | 70 | 14 | 2 | 14 | 202 |
| 40 | International Invest. Trust | 70 | 7.8 | 105 | 78 | 14 | 5 | 3 | 181 |
| 53 | Sphere Invest. Trust | 111 | 5.5 | 163 | 71 | 18 | 2 | 9 | 199 |
| 38 | Trust Union | 54 | 6.1 | 79 | 71 | 16 | 1 | 12 | 199 |
| 72 | Trustees Corporation | 53 | 6.2 | 75 | 74 | 9 | 1 | 16 | 220 |
| | Williams & Glyn's Bank Ltd. | | | | | | | | |
| 10 | Sizewell European Invest. Trust | 74 | 4.1 | 90 | □35 | 11 | — | 54 | 119 |
| 2 | Atlanta Baltimore & Chicago | 52 | 2.3 | 64 | □23 | 77 | — | — | 185 |
| 2 | West Coast & Texas Regional | 62 | 2.9 | 78 | □18 | 82 | — | — | 193 |
| | VALUATION THREE-MONTHLY | | | | | | | | |
| 15 | Dundee & London Invest. Trust | 61 | 7.1s | 86 | 80 | 13 | 3 | 4 | 202 |
| | City Financial Administration Ltd. | | | | | | | | |
| † | Acorn Securities | 97 | † | † | 81 | 3 | 7 | 9 | † |
| 25 | General Funds Invest. Tst. Ord. | 186 | 5.3 | 269 | 57 | 14 | 12 | 13 | 267 |
| | " " " " Conv. Ord | 150 | — | 242 | 57 | 14 | 12 | 13 | † |
| | Drayton Montague Portfolio Mngement. | | | | | | | | |
| 82 | Drayton Premier Investment | 163 | 7.7 | 250 | 52 | 12 | 5 | 31 | 148 |
| 70 | Drayton Consolidated Trust | 125 | 6.9 | 193 | 51 | 9 | 7 | 33 | 151 |
| 51 | Drayton Commercial Investment Co. | 116 | 7.4 | 179 | 52 | 8 | 5 | 35 | 164 |
| 15 | English & International Trust | 83 | 8.1 | 131 | 51 | 16 | 5 | 28 | 183 |
| 9 | Colonial Securities Trust | 230 | 6.5 | 339 | 49 | 16 | 7 | 28 | 161 |
| 7 | British Industries & Gen. Invst. Tst. | 92 | 6.9 | 144 | 48 | 15 | 7 | 30 | 167 |
| 7 | Drayton Far Eastern | 39 | 4.2 | 52 | 31 | — | 16 | 53 | 158 |
| 3 | City and Foreign Invest. Co. | 55 | 0.0 | 60 | 22 | 78 | — | — | † |
| 6 | Montague Boston Invest. Trust | 44 | 3.4 | 53 | 37 | 63 | — | — | † |
| | East of Scotland Investment Managers | | | | | | | | |
| 11 | Dominion & General Trust | 183 | 7.6 | 249 | 67 | 30 | — | 3 | 176 |
| 28 | Pentland Invest. Trust | 109 | 7.2s | 155 | 66 | 27 | 1 | 6 | 200 |

### NOTES TO THE TABLE

† No data.
x Split capital trust (capital shares).
* Applies to Ordinary/"A" Ordinary only.
s Does not include special dividend.
□ More than one quarter in non-equity investments.
ac Adjusted for scrip issues.
c Shares do not qualify for capital gains tax credit.
ɸ Figures not provided in view of announced discussions or recent developments affecting the company.

(a) Cols. 1, 3 to 5 — Figures supplied by Wood Mackenzie & Co., members of The Stock Exchange. Col. 1 to nearest £1m; Cols. 3 & 5 to nearest penny per share.

(b) Cols. 1, 5 — Statistics simulated to date shown based on latest valuations supplied by the companies and made available to The Stock Exchange. In these valuations listed securities are valued at mid-market prices and unlisted at directors' valuation. All revenue account items are excluded.

(c) Cols. 1, 5, 10 — No account taken of any liability in respect of taxable gains which might arise on future disposal of investments.

(d) Col. 4 — Based on last declared dividend or firm forecast plus tax credit or firm forecast to nearest 0.1 per cent.

(e) Cols. 6 to 9 — Percentages of total assets less current liabilities. Currency balances are allocated to the relevant geographical sector.

(f) Cols. 5, 10 — Prior charges and preference share capital deducted at market value; convertible stocks deemed to be converted; warrants treated as not exercised.

(g) Col. 10 — Figures supplied by AITC Statistics Service, to nearest one per cent. A full description of the information shown in this column is given in the Investment Trust Year Book. In summary the figures show the percentage changes in the net asset values over the period assuming that dividends paid excluding tax credit were reinvested in the underlying assets of the company.

**INDICES OF FIVE YEAR TOTAL RETURN**

| | |
|---|---|
| General Trust Average | 201 |
| F.T.—Actuaries All Share | 255 |
| *Standard & Poors Composite | 96 |
| *Capital International World | 97 |

*Adjusted for exchange rate changes.

### EXPLANATORY NOTES

**Use of total return statistics and care in interpretation**

The total return statistic, which adjusts the net asset values for dividends, excluding tax credit, distributed during the period, enables companies with substantially different capital growth and dividend policies to be more fairly compared. A period of five years provides a good indication of trends and, in normal circumstances, should cover a traditional bull and bear market in the major world stock markets.

Each total return figure is indexed from a base of 100 at the commencement of the period and records the movements between two particular dates. Any particular total return figure may thus be affected by exceptional factors, operative at either the base date or at the final date, which were influencing the stock market generally or a sector of the market in which the company was interested. The geographical distribution of a particular company's portfolio should be considered in assessing its relative performance.

While the total return statistic if used with care, provides a valuable guide to past experience which can assist comparison of one company with another, or the trust movement with other investment media, it should always be borne in mind that past performance is not necessarily a guide to future achievement.

The total return statistic for split capital trusts is not directly comparable with that for other companies because of the difference in capital structure. The split capital trusts have therefore been identified in the Table and are not included in the General Trust Average index figure.

**Calculation of NAV**

In order to avoid a plethora of figures and to facilitate comparability, the statistics of net asset value have been calculated on a uniform basis which may, in the case of a particular company, differ from the corresponding figures in its Annual Report and Accounts.

The net asset value is calculated on the "going concern" basis, ie with prior charges deducted at market value, as it is believed that this basis is the most widely accepted for comparative purposes.

While the total return statistic if used with care provides a valuable guide to past experience which can assist comparison of one company with another or the trust movement with other investment media, it should always be borne in mind that past performance is not necessarily a guide to future achievement.

# WORLD STOCK MARKETS

## NEW YORK

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| ACF Industries | 33½ | 34½ |
| AMF | 12⅜ | 13½ |
| AM Intl | 18¾ | 18¾ |
| ARA | 26½ | 29 |
| ASA | 43½ | 45⅞ |
| Abbott Labs | 35½ | 35⅝ |
| Acme Cleve | 24½ | 25 |
| Adobe Oil & Gas | 41½ | 42⅛ |
| Aetna Life & Cas | 51½ | 50⅞ |
| Ahmanson (H.F.) | 15⅝ | 16¼ |
| Air Prod & Chem | 34½ | 35 |
| Akzona | 10⅝ | 11⅛ |
| Albany Intl | 26½ | 27 |
| Alberto-Culv. | 8½ | 8½ |
| Albertson's | 34¾ | 34½ |
| Alcan Aluminium | 53 | 53½ |
| Alco Standard | 27¾ | 28½ |
| Allegheny Ludm. | 26½ | 27⅛ |
| Allied Chemical | 49⅞ | 50⅝ |
| Allied Stores | 19⅞ | 20½ |
| Allis-Chalmers | 26½ | 26⅞ |
| Alpha Portd. | 14 | 14⅛ |
| Alcoa | 58¾ | 59⅝ |
| Amal. Sugar | 27 | 27⅝ |
| Amax | 45⅝ | 45½ |
| Amerada Hess | 47¼ | 48⅝ |
| Am. Airlines | 9½ | 9⅞ |
| Am. Brands | 61½ | 62½ |
| Am. Broadcastg. | 29½ | 30 |
| Am. Can | 28 | 28⅜ |
| Am. Cyanamid | 32⅜ | 32½ |
| Am. Elect. Pwr. | 16¼ | 16⅝ |
| Am. Express | 25⅞ | 26½ |
| Am. Gen. Insnce. | 26¼ | 26⅞ |
| Am. Hoist & Dk. | 18 | 18⅝ |
| Am. Home Prod. | 23¼ | 23⅝ |
| Am. Medical Int. | 32 | 32⅝ |
| Am. Motors | 6⅞ | 6⅞ |
| Am. Nat Resces. | 46½ | 47 |
| Am. Petfina | 36⅛ | 38⅛ |
| Am. QuasarPet. | 31½ | 32⅛ |
| Am. Standard | 46⅞ | 48 |
| Am. Stores | 22½ | 23 |
| Am. Tel. & Tel. | 47½ | 47¼ |
| Ametac | 24½ | 25 |
| AMP | 35⅜ | 36⅛ |
| Ampex | 25 | 24⅞ |
| Amstar | 16⅝ | 17½ |
| Amstead Inds. | 35 | 35½ |
| Anchor Hockg | 14½ | 15¼ |
| Anheuser-Bh | 22⅞ | 23 |
| Arcata | 20½ | 20½ |
| Archer Daniels | 29⅞ | 28⅝ |
| Armco | 26⅝ | 26⅞ |
| Armstrong Ck | 13 | 13⅞ |
| Asamera Oil | 20¾ | 20⅞ |
| Asarco | 37½ | 36⅞ |
| Ashland Oil | 31½ | 32½ |
| Assd D Goods | 18½ | 19 |
| Atlantic Rich | 88½ | 90⅝ |
| Auto-Data Prg. | 33½ | 34 |
| Avco | 21 | 21⅝ |
| Avery Intl | 16¾ | 18⅝ |
| Avnet | 26½ | 25 |
| Avon Prods. | 33⅜ | 33½ |
| Baker Intl. | 59½ | 59⅝ |
| Balt. Gas & El. | 18⅞ | 18⅝ |
| Bancal Trist. | 28½ | 27⅝ |
| Bangor Punta | 21½ | 21½ |
| Bank America | 22 | 21½ |
| Bank of NY | 29½ | 30½ |
| Bankers Tst. NY. | 37½ | 38½ |
| Barry Wright | 21⅞ | 21¾ |
| Bausch & Lomb. | 34⅝ | 34⅜ |
| Baxt Trav Lab. | 38⅝ | 39⅝ |
| Beatrice Foods | 17⅞ | 18 |
| Beckman Instr. | 24½ | 25 |
| Beker Inds. | 11⅞ | 12 |
| Bell & Howell | 22¾ | 23⅝ |
| Bendix | 42½ | 44 |
| Beneficial | 16 | 18¼ |
| Beth Steel | 21⅛ | 21⅛ |
| Big Three Inds. | 41⅞ | 42⅛ |
| Black & Decker | 19⅞ | 19⅞ |
| Block HR | 22⅞ | 23⅞ |
| Blue Bell | 32½ | 31½ |
| Boeing | 56⅝ | 57⅛ |

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| Columbia Gas | 39½ | 40 |
| Columbia Pict. | 32 | 30½ |
| Com. Ins. Am. | 16¼ | 16⅞ |
| Combustn. Eng. | 55 | 55¼ |
| Combustn. Equip | 10¼ | 10⅞ |
| Cmwlth Edison | 18½ | 18½ |
| Comm. Satellite | 33⅝ | 33½ |
| Compugraphic | 25⅝ | 25½ |
| CIG | 2⅛ | 2¼ |
| Comp. Science | 18⅜ | 18⅝ |
| Cone Mills | 33½ | 33⅞ |
| Conn Gen Life | 30⅜ | 30⅜ |
| Conoco | 44½ | 45½ |
| Conrac | 18⅝ | 18⅝ |
| Cons Edison | 21⅝ | 21⅛ |
| Cons Foods | 20⅝ | 20⅝ |
| Cons Freight | 20⅝ | 20⅞ |
| Cons Nat Gas | 41 | 41 |
| Consumer Power | 16⅝ | 16⅜ |
| Conti Air Lines | 8½ | 8¾ |
| Conti Corp | 24 | 24½ |
| Conti Group | 26⅝ | 27 |
| Conti Illinois | 22¼ | 21⅝ |
| Conti Telep | 15⅛ | 15⅛ |
| Control Data | 48⅛ | 48⅝ |
| Cooper Inds | 66¼ | 66¼ |
| Coors Adolph | 12½ | 12⅜ |
| Copeland | 20¼ | 20¼ |
| Copperweld | 17⅝ | 17⅞ |
| Corning Glass | 52⅛ | 52¼ |
| Corroon Black | 22⅛ | 22¼ |
| Cox Broadcast'g | 61⅝ | 61⅝ |
| Crane | 38½ | 38¼ |
| Crocker Nat | 25¼ | 25⅝ |
| Crown Cork | 24⅛ | 24¼ |
| Crown Zell | 38 | 39⅜ |
| Cummins Eng | 30½ | 30⅛ |
| Curtiss-Wright | 20½ | 20½ |
| Damon | 5⅛ | 5⅜ |
| Dana | 21¼ | 21 |
| Dart Inds | 38 | 36⅝ |
| Data Gen | 60⅝ | 61¼ |
| Dayton-Hudson | 39⅝ | 39⅝ |
| Deere | 31⅝ | 32 |
| Delta Air | 35⅛ | 35 |
| Denny's | 12½ | 12⅝ |
| Dentsply Intl | 15⅝ | 15⅝ |
| Detroit Edison | 11¼ | 11¼ |
| Diamond Intl | 33½ | 34⅛ |
| Diamond Shamk | 28¼ | 28¼ |
| DiGiorgio | 9 | 9 |
| Digital Equip | 62 | 63 |
| Dillingham | 10½ | 10⅝ |
| Dillon | 14½ | 14⅞ |
| Disney (Walt) | 42½ | 43⅛ |
| Dome Mines | 60⅛ | 60¾ |
| Donnelley (RR) | 25⅛ | 25¼ |
| Dover Corp | 54 | 54½ |
| Dow Chemical | 31⅛ | 32 |
| Dow Jones | 38 | 40 |
| Dravo | 35⅛ | 35½ |
| Dresser | 51½ | 51¾ |
| Dr. Pepper | 11⅜ | 11⅜ |
| Duke Power | 15½ | 15⅜ |
| Dun & Brad | 38¼ | 39½ |
| Du Pont | 34¾ | 34¾ |
| EG & G | 26⅞ | 27 |
| EMI | 3 | 3 |
| Easco | 14⅝ | 14⅝ |
| Eastern Airlines | 7 | 7⅛ |
| Eastern Gas & F. | 18⅝ | 19 |
| Eastman Kodak | 45⅝ | 46¾ |
| Eaton | 22½ | 22¾ |
| Echlin Mfg | 13¼ | 14⅜ |
| Eckerd Jack | 20½ | 20¾ |
| Electronic Data. | 20¾ | 20⅝ |
| Elect Memories | 4⅛ | 4⅝ |
| El Paso | 20½ | 20⅞ |
| Emerson Elect | 30¼ | 31 |
| Emery Air Fgt. | 14¼ | 14 |
| Emhart | 24⅝ | 25⅛ |
| Engelhard MC | 28⅜ | 29 |
| Enserch | 26⅜ | 26⅝ |
| Envirotech | 8⅞ | 9 |
| Esmark | 28 | 29 |
| Ethyl | 25 | 25⅜ |
| Evans Prods | 18⅜ | 18⅞ |
| Ex Cell O | 33⅞ | 34½ |
| Exxon | 57⅞ | 58⅞ |

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| Gt. Atl. Pac. Tea | 5⅜ | 5½ |
| Gt. Basins Pet. | 15⅜ | 16⅝ |
| Gt Nthn.Nekoosa | 31 | 31½ |
| Gt West Financl | 15⅝ | 15½ |
| Greyhound | 16⅜ | 16¼ |
| Grumman | 23⅛ | 23¼ |
| Gulf & Western | 18¼ | 18½ |
| Gulf Oil | 40¼ | 42⅞ |
| Hall (FB) | 23⅛ | 23⅞ |
| Halliburton | 92⅞ | 93⅞ |
| HammermillPpr. | 23⅝ | 23⅝ |
| Handleman | 9¼ | 9¼ |
| Hanna Mining | 32¼ | 32⅝ |
| Harcourt Brace | 27½ | 27⅞ |
| Harnischfeger | 12½ | 13 |
| Harris Bancp. | 22½ | 23 |
| Harris Corp | 31½ | 31⅞ |
| Harsco | 31⅝ | 31⅛ |
| Hecla Mining | 31⅞ | 32⅜ |
| Heinz (HJ) | 36⅝ | 36½ |
| Heller Intl. | 16⅝ | 17 |
| Hercules | 17⅛ | 17⅛ |
| Hershey | 20¾ | 20⅞ |
| Heublein | 24⅞ | 25 |
| Hewlett Pkd | 61¼ | 62⅞ |
| Hilton Hotels | 29⅛ | 28⅞ |
| Hitachi | 38⅛ | 38¼ |
| Hobart Corp. | 14⅜ | 14⅜ |
| Holiday Inns | 15⅝ | 15⅝ |
| Holly Sugar | 45 | 44⅞ |
| Homestake | 47⅝ | 49½ |
| Honeywell | 81 | 81⅞ |
| Hoover | 10⅜ | 10⅛ |
| Hoover Univl | 13⅝ | 13⅜ |
| Hormel Geo | 16⅝ | 16⅝ |
| Hospital Corp | 44 | 43⅞ |
| Household Fin | 14¼ | 14¼ |
| Houston Inds | 28 | 28⅜ |
| Houston Nt Gas | 39⅝ | 39⅛ |
| Houston Oil Min. | 22⅞ | 23 |
| Howard Johnsn | 24⅜ | 24¾ |
| Hudson Bay Mng | 31⅝ | 21 |
| Hughes Tool | 55⅜ | 58⅛ |
| Humana | 37¼ | 37 |
| Hunt (Philip A) | 10⅞ | 11 |
| Husky Oil | 71¼ | 69⅛ |
| Hutton (EF) | 23½ | 24¼ |
| Huyck | 10⅝ | 11 |
| IC Inds | 19½ | 20¼ |
| INA Corp | 27½ | 27⅜ |
| IU Intl | 12⅛ | 11⅞ |
| Ideal Basic Ind | 20 | 19¾ |
| Ideal Toy | 4⅛ | 4⅛ |
| ICI ADR | 8 | 8⅛ |
| Imp. Corp. Amer | 16½ | 16¾ |
| INCO | 24⅞ | 25⅜ |
| Ingersoll Rand | 55 | 54¼ |
| Inland Steel | 30⅛ | 30½ |
| Intel | 63½ | 63⅛ |
| Interlake | 24⅝ | 24½ |
| IBM | 58¼ | 58⅞ |
| Int. Flavours | 17¾ | 17¾ |
| Int. Harvester | 28 | 29 |
| Int. Income Prop. | 10¼ | 10⅛ |
| Int. Multifoods | 15⅛ | 15⅛ |
| Int. Paper | 33¾ | 34⅜ |
| Int. Rectifier | 25 | 25¼ |
| Int. Tel & Tel | 23¾ | 24 |
| Iowa Beef | 26⅝ | 27 |
| Irving Bank | 31⅛ | 31½ |
| James (FS) | 20½ | 20½ |
| Jefferson-Pilot | 25 | 25½ |
| Jewel Cos | 23 | 23⅝ |
| Jim Walter | 25⅜ | 25⅜ |
| Johns Manville | 19⅞ | 19⅞ |
| Johnson Contr | 24 | 24½ |
| Johnson & Jns | 68½ | 68⅞ |
| Johnathn Logan | 7⅜ | 7½ |
| Jostens | 18⅛ | 19 |
| Joy Mfg | 29¼ | 29⅝ |
| K Mart | 18⅛ | 19 |
| Kaiser Alumin | 19⅜ | 19⅜ |
| Kaiser Inds | 2⅛ | 2⅛ |
| Kaiser Steel | 38⅛ | 38¼ |
| Kaneb Services | 25½ | 24 |
| Kaufman Brd | 8¼ | 8¼ |
| Kay Corp | 17 | 17 |
| Kellogg | 16⅝ | 17 |
| Kennecott Cpr | 30½ | 31¼ |
| Kennametal | 24⅝ | 22¾ |
| Kerr-McGee | 65½ | 66¾ |
| Kidde Walter | 31⅛ | 32 |
| Kimberly-Clk | 39⅞ | 41⅛ |
| King's Dept. St. | 10⅛ | 10 |

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| Mesa Petroleum | 55⅝ | 57⅛ |
| MGM | 18¾ | 18⅝ |
| Metromedia | 63¼ | 63 |
| Milton Bradley | 33½ | 33⅜ |
| Minnesota MM | 47⅝ | 48⅛ |
| Missouri Pac | 54½ | 53¾ |
| Mobil | 71 | 75⅛ |
| Modern Merchg. | 10¾ | 10⅞ |
| Mohasco | 8⅜ | 8¾ |
| Monarch M/T | 25¾ | 25½ |
| Monsanto | 49½ | 49½ |
| MooreMcCrmk | 44¼ | 44 |
| Morgan (JP) | 41¼ | 42¼ |
| Motorola | 52½ | 52⅞ |
| Munsingwear | 14 | 14⅛ |
| Murphy (GC) | 12⅝ | 13 |
| Murphy Oil | 92¼ | 94½ |
| Nabisco | 19¾ | 19¾ |
| Nalco Chem. | 30 | 29¾ |
| Napco Industries | 11¼ | 11 |
| Nat. Can | 17⅞ | 18½ |
| Nat. Detroit | 24 | 24¼ |
| Nat. Dist. Chem. | 25 | 25⅛ |
| Nat. Gypsum | 17⅞ | 18¼ |
| Nat. Semiductr | 21⅝ | 22 |
| Nat. Service Ind. | 17½ | 17¾ |
| Nat. Standard | 17⅝ | 16½ |
| Nat. Steel | 28¼ | 28⅛ |
| Natomas | 37½ | 36¾ |
| NCNB | 11½ | 11½ |
| NCR | 65½ | 67⅝ |
| New England El. | 18⅞ | 18¾ |
| New Eng. Tel. | 29⅝ | 29⅝ |
| NY State E & G | 14⅜ | 14½ |
| NY Times | 20 | 20⅛ |
| Newmont Mining | 40½ | 40⅜ |
| Niag. Mohawk | 11⅛ | 11 |
| Nielsen (AC) A | 25¾ | 25⅝ |
| NL Industries | 36⅜ | 36⅛ |
| NLT | 20½ | 20⅝ |
| Norfolk & Westn | 26⅞ | 27⅜ |
| Nth. Am. Coal | 34½ | 34¾ |
| Nth. Am. Philips | 24⅞ | 25 |
| Nthn. Nat. Gas | 54⅞ | 55½ |
| Nthn. State Pwr. | 20⅝ | 20⅝ |
| Northgate Exp | 8⅝ | 8⅝ |
| Northrop | 48⅞ | 49½ |
| Nwest Airlines | 22¾ | 23 |
| Nwest Bancorp | 19½ | 19⅝ |
| Nwest Inds | 29⅝ | 29½ |
| Nwestn Mutual | 7¾ | 8⅞ |
| Nwestn Steel W. | 25½ | 25⅜ |
| Norton | 37 | 37⅞ |
| Norton Simon | 11⅞ | 12 |
| Occidental Pet | 24⅜ | 25 |
| Ogden | 30½ | 30½ |
| Ogilvy & Math | 21½ | 21½ |
| Ohio Edison | 12⅛ | 12⅛ |
| Okla. Nat. Gas | 19¼ | 19⅛ |
| Olin | 17 | 17⅜ |
| Omark | 31⅞ | 31¾ |
| Outboard Marine | 10⅞ | 10⅞ |
| Overseas Ship | 20⅝ | 21¼ |
| Owens-Corning | 23 | 24½ |
| Owens Illinois | 23⅝ | 24⅝ |
| PHH Group | 31¼ | 30⅞ |
| PPG Inds | 27 | 26⅞ |
| Pabst Brewing | 13½ | 12⅛ |
| Pac. Gas & Elect | 20⅞ | 20⅞ |
| Pac. Lighting | 18⅝ | 18¾ |
| Pac. Lumber | 45⅛ | 44½ |
| Pac Tel & Tel | 11⅛ | 11½ |
| Palm Beach | 14¼ | 14⅜ |
| Pan Am Air | 4⅜ | 4⅜ |
| Pan Hand Pipe | 59½ | 59⅝ |
| Parker Drilling | 39 | 37⅞ |
| Parker Hanfn | 26⅞ | 26¾ |
| Peabody Intl | 24¾ | 25⅜ |
| Penney JC | 21⅝ | 21⅞ |
| Pennwalt | 27¼ | 27½ |
| Pennzoil | 40⅝ | 41⅜ |
| Peoples Energy | 42¾ | 42 |
| Pepsico | 20½ | 20¾ |
| Perkin-Elmer | 38¾ | 39⅝ |
| Petrie Stores | 24¾ | 24¼ |
| Petrolane | 53 | 52¾ |
| Pfizer | 34 | 34⅛ |
| Phelps Dodge | 31⅛ | 31⅝ |
| Phila. Elect | 12⅝ | 12½ |
| Philip Morris | 31 | 30¼ |
| Phillips Pet | 44½ | 47 |
| Pillsbury | 29¼ | 29¼ |
| Pioneer Corp | 38½ | 38⅝ |

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| Schlitz Brew. J. | 6⅞ | 6¾ |
| Schlumberger | 102⅝ | 105 |
| SCM | 19⅝ | 19¾ |
| Scott Paper | 16⅝ | 16⅝ |
| Scudder Duo V. | 9¾ | 9⅛ |
| Sea Contrs | 14⅜ | 14⅜ |
| Seabrd Coast L. | 29⅞ | 30½ |
| Seagram | 40 | 39⅝ |
| Sealed Power | 17½ | 17⅛ |
| Searle (G D) | 19¼ | 19⅛ |
| Sears Roebuck | 15⅝ | 15½ |
| Seatrain Lns | 5⅜ | 5⅞ |
| Security Pac | 24¼ | 24⅝ |
| Sedco | 62⅛ | 63⅞ |
| Shell Oil | 64⅞ | 66 |
| Shell Trans | 32 | 32½ |
| Sherwin-Wms | 26½ | 27 |
| Signal | 38⅛ | 37¾ |
| Signode | 31⅝ | 32 |
| Simplicity Patt | 8⅛ | 8¼ |
| Singer | 8 | 7¾ |
| Skyline | 10¼ | 10⅛ |
| Smith Intl | 69 | 69⅞ |
| Smith Kline | 47¼ | 47⅛ |
| Sonesta Intl | 11 | 11 |
| Sony | 7⅛ | 7 |
| Southeast Bankg | 13⅜ | 13⅛ |
| Sthn Cal. Edison | 23 | 22¾ |
| Southern Co. | 11 | 10½ |
| Sthn Nat. Res. | 47½ | 47½ |
| Sthn N. Eng. Tel. | 30 | 30½ |
| Sthn Pacific | 36 | 36⅜ |
| Sthn Railway | 55⅞ | 53½ |
| Southland | 20¼ | 20 |
| SW Bancshares | 32 | 22⅛ |
| Sperry Corp | 49¼ | 49⅞ |
| Spring Mills | 14¾ | 15 |
| Square D | 18⅛ | 19⅛ |
| Squibb | 30⅝ | 31½ |
| Std Brands | 26¼ | 26½ |
| Std Brds Paint | 21 | 21 |
| Std Oil California | 70¾ | 72¾ |
| Std Oil Indiana | 101¼ | 101¾ |
| Std Oil Ohio | 88½ | 89⅝ |
| Stanley Wks | 31½ | 31½ |
| Stauffer Chem | 15 | 16¼ |
| Sterling Drug | 18½ | 18½ |
| Stevens (JP) | 13⅞ | 14 |
| Stokely Van K | 21½ | 22 |
| Sun Co. | 74 | 74½ |
| Sunbeam | 14⅞ | 15⅞ |
| Sundstrand | 38⅛ | 38½ |
| Superior Oil | 141½ | 143 |
| Super Val. Strs | 18⅝ | 18⅝ |
| Syntex | 34⅝ | 35¼ |
| TRW | 42¼ | 42⅝ |
| Taft | 28¾ | 29½ |
| Tampax | 29¼ | 30 |
| Tandy | 34 | 33⅝ |
| Teledyne | 134¼ | 135¼ |
| Tektronix | 46¾ | 46⅞ |
| Tenneco | 36¼ | 36½ |
| Tesoro Pet | 20⅜ | 20 |
| Texaco | 34⅝ | 55⅞ |
| Texas Comm. Bk | 41⅞ | 41½ |
| Texas Eastern | 64 | 64⅛ |
| Texas Gas Trn | 25¾ | 36¼ |
| Texas Instrmts | 85⅞ | 86 |
| Texas Oil & Gas | 36¼ | 37 |
| Texas Utilities | 16⅛ | 16¾ |
| Texasgulf | 39¼ | 40¾ |
| Textron | 22 | 21¾ |
| Thermo Electron | 23½ | 24 |
| Thomas Betts | 37⅝ | 37⅛ |
| Tidewater | 34¾ | 34¼ |
| Tiger Intl | 20⅜ | 20½ |
| Time Inc. | 45¾ | 46½ |
| Times Mirror | 31½ | 31⅝ |
| Timken | 53 | 50¾ |
| Tipperary | 18¼ | 18⅜ |
| Tonka | 10¼ | 10¼ |
| Total Pet | 23½ | 23⅜ |
| Trane | 19¾ | 20½ |
| Transamerica | 15 | 15⅛ |
| Trans Union | 30 | 30½ |
| Transway | 21⅜ | 21½ |
| Trans World | 11⅛ | 11⅜ |
| Travelers | 37½ | 37⅝ |
| Tri Continental | 18½ | 18½ |
| Triton Oil Gas | 16⅞ | 17 |
| 20th Cent. Fox | 42½ | 42⅝ |
| Tyler | 12¼ | 12⅜ |

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| Cincinnati Mil. | 30½ | 30⅜ |
| Citicorp | 17½ | 17⅞ |
| Cities Service | 92½ | 95⅜ |
| City Investg | 15⅜ | 15½ |
| Clark Equipment | 30½ | 30½ |
| Cleve Cliffs Iron | 28⅜ | 28⅞ |
| Clorox | 8½ | 8⅝ |
| Cluett Peaby | 8⅝ | 8¼ |
| Coca Cola | 29¼ | 29⅜ |
| Coca Btl. NY | 4¾ | 4⅞ |
| Colgate Palm | 12 | 12⅛ |
| Collins Aikman | 6¾ | 6⅞ |
| Colt Inds | 39⅜ | 40⅜ |
| Genuine Parts | 22½ | 22⅝ |
| Georgia Pac | 25⅛ | 25¾ |
| Geosource | 51¾ | 52¼ |
| Gerber Prod | 21 | 21½ |
| Getty Oil | 79⅝ | 78¾ |
| Giddings Lewis | 26⅜ | 27 |
| Gillette | 20⅛ | 20½ |
| Global Marine | 45¼ | 46¼ |
| Goodrich (BF) | 18½ | 18½ |
| Goodyear Tire | 11¼ | 11⅜ |
| Gould | 22½ | 22⅝ |
| Grace | 35½ | 35¾ |
| Grainger (WW) | 31 | 31⅛ |
| McGraw Edison | 27⅝ | 28⅛ |
| McGraw-Hill | 24¾ | 24½ |
| McLean Truckg | 9 | 9 |
| Mead | 22 | 22½ |
| Media Genl | 22⅜ | 22⅛ |
| Medtronic | 58 | 57½ |
| Mellon Natl | 22½ | 22½ |
| Melville | 25⅛ | 25½ |
| Memorex | 15¼ | 13⅝ |
| Mercantile Strs | 33¾ | 32¾ |
| Merck | 62 | 62½ |
| Meredith | 33½ | 33⅜ |
| Merrill Lynch | 19⅞ | 20⅜ |
| SFN Companies | 21¾ | 21⅝ |
| SPS Technolog | 28½ | 28½ |
| Safeco | 34½ | 33⅝ |
| Safeway Stores | 28⅛ | 28⅞ |
| St. Joe Minls | 45½ | 45½ |
| St. Louis-San F. | 58½ | 60¾ |
| St. Paul Cos. | 34⅜ | 33½ |
| St. Regis Paper | 28¾ | 29⅛ |
| Santa Fe Inds | 60½ | 60 |
| Santa Fe Intl | 38⅛ | 38½ |
| Saul Invest | 5½ | 5⅞ |
| Saxon Inds | 4⅞ | 5 |
| Schering Plo | 32½ | 33 |
| Whittaker | 21¾ | 22 |
| Wickes | 13⅜ | 13⅝ |
| Williams Co. | 30½ | 31 |
| Winn-Dixie Str | 24½ | 24½ |
| Winnebago | 2⅜ | 2⅜ |
| Wisc Elec Power | 21 | 20½ |
| Woolworth | 22 | 22½ |
| Wrigley | 63⅜ | 63 |
| Wyly | 7⅞ | 7⅞ |
| Xerox | 55½ | 55 |
| Yellow Frt Sys | 13⅜ | 13⅜ |
| Zapata | 30⅛ | 30½ |
| Zenith Radio | 9½ | 9 |

# Early Wall St. index off 2.22

STOCKS WERE narrowly lower in moderate trading on Wall Street yesterday, when investors remained cautious over the economic outlook.

By 1 pm the Dow Jones Industrial Average was off another 2.22 at 786.86, making a fall of 24.83 *on* the week, while the NYSE All Common Index, at $58.45, shed 21 cents on the day and $1.62 on the week.. Declines led advances by a seven-to-five majority, while the turnover expanded 3.18m shares to 23.24m compared with 1 pm Thursday.

Analysts said investors are unsettled by prospects for a severe recession accompanied by continued high interest rates. Citibank held its Prime Rate unchanged at 19 per cent.

However, they note the Stock Market seems to have levelled off from the sharp fall of the past month.

Active **Exxon** rose $¾ to $58¾—it may build a third Indonesian gas liquefaction plant.

Other Oils where weak. *California Standard* lost $1½ to $69⅞, **Murphy Oil** $⅞ to $89 and **Superior Oil** $4½ to $137.

Volume leader **IBM** dropped $⅝ to $57⅞—a block of 750,000 shares traded at $57, another 52-week low. **American Home Products** eased $½ to $23 on a 200,000 share block.

Steels were weak. U.S. Steel held unchanged at $17⅞—as planned *it filed an anti-dumping* complaint against seven European nations over alleged unfair steel trade practices.

**Bethlehem Steel** lost $¼ to $20⅞. **Republic** $⅛ to $21½ and **Armco** $⅛ to $26⅞.

**Centromics Data** fell $2⅜ to $33⅞—it forecast lower March quarter net earnings. **Digital Equipment** declined $1⅞ to $60¼—it increased a proposed debenture offer to $400m from $300m. **General Public Utilities** gave way $⅛ to $5¼.

**Mattel** rose $⅞ to $8¼ on sharply higher fourth quarter profit. **General Mills** eased $¼ to :21, despite improved fiscal third quarter earnings.

The American SE Market Value Index lost 1.59 to 254.16, making a fall of 7.87m on the week.

Oils were mostly lower. **Imperial Oil "A"** diped $1⅛ to $38⅜, **Dome Petroleum** $¾ to $55⅞, **Gulf Canada** $2½ to $130½ add **C and K Petroleum** $½ to $22⅞. But volume leader **Great Basins Petroleum** added $⅛ at $15⅜—it is the subject of an $18 a share takeover bid from **Phillips Petroleum.**

**Crystal Oil** gained $1½ to $32 as did **Delhi Oil** to $24½.

*General Exploration slipped* $½ to $2⅜ on steeper losses in 1979.

**America were not available**
**Closing prices for North**
**for this edition.**

## Canada

*Markets remained broadly* lower in moderate noon trading yesterday, when the Toronto Composite Index fell 12.4 to 1,894.1 and 11 of 14 indices retreated.

The Oils and Gas Index dipped 58.7 to 4238.3, Metals and Minerals 17.4 to 1932.0 and Golds 17.9 to 3001.2.

## Australia

Share prices struggled to maintain opening values as nervous sellers took over from bargain hunters to stall a two-day rally, and the *close* was mixed.

Coals picked up some of buying attention diverted from Gold issues, but Speculative stocks were notably weaker with Foreign investors more interested in the latest round of U.S. Prime Rate rises.

An announcement of a planned merger between Property group **Hooker,** up 2 cents at $A1.06, and Tooths, also up 2 cents at $A2.14, came too late for the market to respond.

The Resources sector was little moved by firmer Gold and Base Metal prices and investors appeared to be waiting for clearer trends to develop after a period of heavy over-selling.

Coal and Allied picked up 20 cents to $A9.70 after failing to trade Thursday.

***BHP*** continued its erratic performance with a 45 cent slide to $A11.85.

## Tokyo

*Prices closed lower in lack*lustre trading, led by Machines, Chemicals and Speculatives. Volume 220m shares.

The Japanese anti-inflation package announced Wednesday did not stimulate the Market and investors were generally reserved following the sharp overnight fall on Wall Street.

Sony, however, rose Y20 to Y1740 *on good earning prospects.* Some Export-Orientated issues also firmed following Sony's lead.

Dredgers improved in connection with a visit of Panamanian President Royo who is expected to discuss the construction of the second Panama Canal with Japanese Government Officials early next week. **Penta Ocean Construction** were up Y13 to Y285 *and* **Roki Construction** Y14 to Y249.

## Hong Kong

Narrowly mixed in dull cautious trading on market nervousness ahead of an expected further rise in U.S. Prime Rates, and also a possible rise in local rates this weekend.

*The market was looking for a* minimum one percentage point increase in local interest rates to help reduce the present wide differential between Hong Kong and U.S. rates.

**HK Electric** fell 30 cents to HK$ 5.25 on disappointment at the absence of a bonus issue to accompany the final dividend.

## Johannesburg

Trading was quiet and featureless and, despite local chartists' advice that the Gold Market cur*rently offers* exciting buying opportunities, Gold shares closed easier in line with the bullion price.

The current local advice to buy Gold shares stems from the current yields on high quality stocks of 10-15 per cent based on a bul*lion price of* around $450. The average market price so far this year has been close to $650.

East Driefontein is one stock regarded by some analysts as *undervalued.* It has the lowest costs among all producers, and could yield as much as 14 per cent at an average gold price of $600.

## Milan

Most prices closed marginally higher as technical factors and shortcovering operations overcame fears from political and *money* uncertainties. Insurances led the rise.

**Italsider,** and its holding company **Finsider,** were each higher despite a report of a large 1979 loss by Italsider.

## Germany

Mostly down although markets steadied and there were some late gains in very light trading.

The "Rig" Three Banks finished higher.

Domestic Bonds again eased up to one point, with the Bundesbank buying around DM30m of stock. Mark Foreign Loans also eased.

## Paris

Generally weaker in moderately active trading, reflecting the marked overnight *fall on* Wall Street and the end of the monthly Account.

All sectors weakened, including Oils where **Esso SAF** were down *FFr 9 to 305 despite a* more than twofold increase in 1979 net profits.

**Saint-Gobain-Pont-a-Mousson** rose FFr 1.6 to 125 on sharply higher 1979 profits.

Foreign shares weakened, although U.S. stocks were barely steady.

## Brussels

Lower in moderate trading, influenced by the downward trend of the Belgian franc against other major currencies.

## CANADA

| Stock | Mar. 20 | Mar. 19 |
|---|---|---|
| Abitibi | 20½ | 20¾ |
| Agnico Eagle | 13 | 13 |
| Alcan Alumn | 62¼ | 63¼ |
| Algoma Steel | 33½ | 32½ |
| Asbestos | 35⅞ | 35⅞ |
| Bk Montreal | 23½ | 23½ |
| Bk Nova Scotia | 24¼ | 24¼ |
| Basic Resources | 17 | 17½ |
| Bell Canada | 18 | 18 |
| Bow Valley | 48 | 49¼ |
| BP Canada | 45¼ | 45¼ |
| Brascan A | 26⅝ | 27 |
| Brinco | 9⅛ | 9¼ |
| B.C. Forest | 25⅛ | 24⅞ |
| Cadillac Fairv | 20¼ | 20 |
| Camflow Mines | 19½ | 19¾ |
| Can Cement | 12 | 11¾ |
| Can NW Lands | 19⅝ | 19⅝ |
| Can Packers | 30 | 31 |
| Can Perm Mtg | 16⅛ | 16⅝ |
| Can Trustco | 19 | 18½ |
| Can Imp Bank | 23⅝ | 23⅛ |
| Cdn Inds | 25 | 25 |
| Cdn Pacific | 39⅞ | 41 |
| Cdn Pacific Inv | 40½ | 41½ |
| Can Super Oil | 226 | 226 |
| Cdn Tire | 25¾ | 25⅝ |
| Cherokee Res | 11⅛ | 11¼ |
| Chieftain | 31 | 32¼ |
| Cominco | 60½ | 58½ |
| Cons Bathst A | 15 | 16 |
| Consumers' Gas | 25⅛ | 25½ |
| Coseka Res | 20⅞ | 21½ |
| Costain | 7¼ | 7 |
| Daon Devel | 5.62 | 5¾ |
| Denison Mines | 42 | 43¼ |
| Dome Mines | 70 | 71⅝ |
| Dome Petroleum | 66⅝ | 67⅞ |
| Dom Bridge | 15⅜ | 15⅛ |
| Dom Foundries A | 34½ | 36¼ |
| Dom Stores | 18¼ | 18¼ |
| Domtar | 26⅛ | 26⅛ |
| Falcon Nickel A | 107 | 110 |
| Genstar | 27¾ | 28⅞ |
| Gt-West Life | 150 | 150 |
| Gulf Canada | 157 | 161½ |
| Gulfstream Res | 6⅝ | 6¾ |
| Hawk Sid. Can | 17⅝ | 17¾ |
| Hollinger Ags. A | 40½ | 40 |
| Hudson Bay Mng | 25 | 24⅝ |
| Hudson's Bay | 26¾ | 26⅛ |
| do. Oil & Gas | 119 | 117½ |
| Husky Oil | 83¼ | 82 |
| IAC | 9⅝ | 9½ |
| Imasco | 44¾ | 45¼ |
| Imp Oil A | 47 | 48 |
| Inco | 29¼ | 29⅞ |
| Indal | 12¾ | 12 |
| Interpr Pipe | 16 | 16 |
| Kaiser Res | 31⅛ | 31⅝ |
| Mac. Bloedel | 39¼ | 29⅝ |
| Marks & Spencer | 7 | 7 |
| Massey Ferg | 10⅛ | 10⅜ |
| McIntyre Mines | 66½ | 66½ |
| Merland Explor | 24⅞ | 25⅛ |
| Moore Corp | 34 | 34⅛ |
| Mountain State | 11½ | 11¼ |
| Nat. Sea ProdsA | 14 | 14¼ |
| Noranda Mines | 25⅞ | 26⅛ |
| Norcen Energy | 34¾ | 34¾ |
| Nthn. Telecom | 41½ | 42 |
| Oakwood Pet | 19⅞ | 19¾ |
| Omni | 2.40 | 2.30 |
| Pacific Copper | 3.70 | 3.45 |
| Pan can Petrol | 75 | 75¼ |
| Patino | 28 | 28 |
| Placer Dev | 58 | 59¾ |
| Power Corp | 14¼ | 15 |
| Quebec Strgn | 4.85 | 5.25 |
| Ranger Oil | 27¼ | 27⅞ |
| Reed Paper B Pf | 9¼ | 9¼ |
| Reed Stenhs A | 8¼ | 8¼ |
| Rio Algom | 51 | 51¼ |
| Royal Bank | 42 | 42½ |
| Royal Trustco A | 12⅛ | 12¾ |
| Sceptre Res | 12⅝ | 12¼ |
| Seagram | 47 | 46½ |
| Shell Can A | 35⅛ | 35¾ |
| Steel of Can A | 28⅛ | 28¼ |
| Teck B | 15⅛ | 15⅜ |
| Texaco Canada | 86½ | 86 |
| Thomson News A | 15 | 15 |
| Toronto Dom Bk | 26½ | 26½ |
| Transcan Pipe | 22¾ | 22¾ |
| Trans-Mntn Oil A | 10⅞ | 11 |
| Trizec | 30 | 30 |
| Utd Siscoe Mines | 15¼ | 15⅝ |
| Walker (Hrm) | 33⅝ | 34¼ |
| Warrior Res | 4.00 | 3.80 |
| Westcoast Trans | 13⅝ | 13½ |
| Weston (Geo) | 26⅛ | 26½ |

## AUSTRIA

| Mar. 21 | Price % | + or — |
|---|---|---|
| Creditanstalt | 338 | ...... |
| Landerbank | 336 | ...... |
| Perlmooser | 272 | ...... |
| Semperit | 107 | —3 |
| Steyr Daimler | 238 | ...... |
| Veitscher Mag | 346 | ...... |

## BELGIUM/LUXEMBOURG

| Mar. 21 | Price Frs. | + or — |
|---|---|---|
| ARBED | 2,100 | ...... |
| Banq Ind a Lux | 5,400 | ...... |
| Bekaert B | 1,895 | +15 |
| Ciment CBR | 952 | —18 |
| Cockerill | 290 | —9 |
| EBES | 1,925 | —10 |
| Electrobel | 5,150 | —40 |
| Fabrique Nat. | 3,905 | ...... |
| GB.Inno | 2,220 | —10 |
| GBL (Brux L.) | 1,470 | —6 |
| Gevaert | 926 | —6 |
| Hoboken | 2,560 | —90 |
| Intercom | 1,470 | —4 |
| Kredietbank | 5,400 | —10 |
| Pan Holding | 3,560xr | ...... |

## BELGIUM (continued)

| Mar. 21 | Price Frs. | + or — |
|---|---|---|
| Petrofina | 5,140 | —250 |
| Royale Belge | 5,200 | —10 |
| Soc Gen Banq | 2,450 | ...... |
| Soc Gen Belge | 1,535 | ...... |
| Sofina | 3,160 | —50 |
| Solvay | 2,345 | +50 |
| Traction Elect. | 2,350 | ...... |
| UCB | 1,214 | —32 |
| Union Miniere | 782 | —46 |
| Vieille Mont | 1,416 | —16 |

## DENMARK

| Mar. 21 | Price Kroner | + or — |
|---|---|---|
| Andelsbanken | 124.5 | —0.25 |
| Baltica Skand | 224 | —0.5 |
| Burm & Wain | 53.5 | —2.5 |
| Cop Handelsbnk. | 104 | ...... |
| D Sukkerfab | 300 | —1 |
| Danske Bank | 101.5 | —0.5 |
| East Asiatic | 116.25 | +1.25 |
| Finansbanken | 159.5 | +0.25 |
| Forenede Brygg. | 208 | —2 |
| Forende Dampsk | 148.75 | —17.75 |
| GNT Hldg | 155.5 | —0.25 |
| Nord Kabel | 154.75 | +0.75 |
| Novo Ind. | 228 | —1 |
| Papirfabrikker | 103.5 | +0.5 |
| Privatbanken | 106 | ...... |
| Provinsbanken | 108 | —0.5 |
| Smidth (FL) | 259 | —0.5 |
| S Berendsen | 330 | +1 |
| Superfos | 99.75 | —0.25 |

## FRANCE

| Mar. 21 | Price Frs. | + or — |
|---|---|---|
| Emprunt 4½% 1973 | 1,835 | —30 |
| Emprunt 7% 1973 | 5,910 | —90 |
| CNE 3% | 3,736 | —14 |
| Afrique Occid. | 356 | —7 |
| Air Liquide | 496 | ...... |
| Aquitaine | 1,275 | —27 |
| Au Printemps | 106.1 | +1.1 |
| BIC | 488 | —6 |
| Bouygues | 580 | —15 |
| BSN Gervais | 887 | —4 |
| Carrefour | 1,618 | —42 |
| Club Mediter | 332 | —8 |
| CGE | 332 | —2 |
| CSF (Thomson) | 451.5 | —6.5 |
| Cie Bancaire | 288.5 | —1.5 |
| Cie Gen Eaux | 385 | —10 |
| Cofimeg | 159 | —1 |
| CCF | 160.0 | ...... |
| Creusot Loire | 62.5 | —3.5 |
| CFP | 248 | —4.6 |
| DNEL | 36.1 | —2.7 |
| Dumez | 805 | —22 |
| Ferodo | 334 | —1 |
| Gen. Occidental | 278 | —4 |
| Imetal | 115 | —1.1 |
| Lafarge | 232.5 | —2.5 |
| L'Oreal | 615 | —11 |
| Legrand | 1,380 | —29 |
| Machines Bull | 58.1 | —1.4 |
| Matra | 8,670 | —250 |
| Michelin B. | 713 | —16 |
| Moet-Hennessy | 489 | ...... |
| Moulinex | 73.8 | —1.8 |
| Paribas | 215 | —1.5 |
| Pechiney | 97.9 | —1.6 |
| Pernod Ricard | 265 | —6.8 |
| Perrier | 260 | —7 |
| Peugeot-Cit. | 235 | —0.1 |
| Poclain | 215 | —4.9 |
| Radiotech | 272 | —9.5 |
| Redoute | 449 | —6 |
| Rhone-Poulenc | 121.5 | —3 |
| Roussel-Uclaf | 237 | —5 |
| St-Gobain | 125 | +1.6 |
| Skis Rossignol | 750 | —30 |
| Suez | 270 | ...... |
| Telemech Elect. | 755 | +5 |
| Thomson Brandt | 194.5 | —1.7 |

## GERMANY

| Mar. 21 | Price Dm. | + or — |
|---|---|---|
| AEG-Telef. | 34.7 | +0.2 |
| Allianz Vers. | 348 | —11 |
| BASF | 136.7 | —1.2 |
| BAYER | 118.6 | —1.4 |
| Bayer-Hypo. | 222 | —3 |
| Bayer-Verein | 260.5 | —2.5 |
| BHF-Bank | 174.0 | +0.5 |
| BMW | 155.0 | +1.5 |
| Brown Boveri | 302 | +2.5 |
| Commerzbank | 163.1 | +0.9 |
| Conti Gummi | 45 | —0.3 |
| Daimler Benz | 244 | —1.8 |
| Degussa | 241.6 | —1.5 |
| Demag | 124.0 | —2.5 |
| D'sche Babcock | 234.5 | —2.5 |
| Deutsche Bank | 255.5 | +1.0 |
| DU Schult. | 136 | —1.5 |
| Dresdner Bank | 177.5 | +2.0 |
| Dyck Zement | 126 | ...... |
| GHH | 196.0 | —0.2 |
| Hapag Lloyd | 69.0 | +0.9 |
| Hoechst | 112.8 | —0.7 |
| Hoesch | 31.4 | —0.1 |
| Holzmann (P) | 390 | ...... |
| Horten | 127.0 | +0.8 |
| Kali und Salz | 153 | —2 |
| Karstadt | 225 | —1 |
| Kaufhof | 175.5 | ...... |
| KHD | 218.5 | —1.5 |
| Kloeckner | 46.5 | —0.9 |
| Krupp | 65 | ...... |
| Linde | 285xr | —1 |
| Lufthansa | 73.2 | ...... |
| MAN | 183.8 | —0.2 |
| Mannesmann | 120.4 | —1.1 |
| Mercedes Hlg | 211 | —1 |
| Metallgesell | 262 | —8 |
| Muench Ruck | 570 | ...... |
| Preussag | 188 | —1 |
| Rhein West Elect | 168.2 | ...... |
| Rosenthal | 240 | ...... |
| Schering | 183 | —3 |
| Siemens | 251.4xd | —12.6 |
| Thyssen | 79.2 | —1.8 |
| Varta | 149 | +1.5 |
| Veba | 145.5 | —3.0 |
| Verein-West | 290 | ...... |
| Volkswagen | 175.5 | —3.0 |

## HOLLAND

| Mar. 21 | Price Fls. | + or — |
|---|---|---|
| ACF Holding | 65.2 | —2.6 |
| Ahold | 68.0 | —1.0 |
| AKZO | 23.0 | ...... |
| ABN | 258.5 | —3.5 |
| AMEV | 88.0 | —1.0 |
| AMRO | 55.5 | —0.75 |
| Bredero Cert. | 189.0 | ...... |
| Bos Kalis | 84.8 | +0.7 |
| Buehrmann-Tet | 54.0 | ...... |
| Caland Hldgs | 25.8 | —0.2 |
| Elsevier | 205.5 | —1.0 |
| Ennia | 120.0 | —3.1 |
| Euro Com Tst | 65 | ...... |
| Gist. Brocades | 30.4 | +0.4 |
| Heineken | 61.1 | —0.2 |
| Hoogovens | 18.3 | —0.2 |
| Hunter Douglas | 22.0 | —0.3 |
| Int-Mueller | 22.8 | —0.3 |
| KLM | 63.0 | —1.5 |
| Naarden | 18.5 | —0.1 |
| Nat Ned Cert. | 103.2 | +0.4 |
| Ned Cred Bank | 56.3 | ...... |
| Ned Mid Bank | 194.0 | ...... |
| Nedlloyd | 72.0 | —0.5 |
| Oce Grinten | 110.0 | ...... |
| OGEM | 12.4 | +0.1 |
| Ommeren (Van) | 201.5 | ...... |
| Pakhoed | 46.6 | —0.4 |
| Philips | 17.5 | —0.6 |
| Rijn-Schelde | 30.7 | —1.3 |
| Robeco | 164.50 | —1.0 |
| Rodamco | 108.1 | +0.1 |
| Rolinco | 140.0 | —1.5 |
| Rorento | 103.9 | +0.1 |
| Royal Dutch | 150.0 | —3.7 |
| Slavenburg's | 204.5 | —2.5 |
| Tokyo Pac Hg | 137 | ...... |
| Unilever | 106.5 | —1.2 |
| Viking Res | 83.5 | —1.2 |
| VMF-Stork | 31.4 | +0.1 |
| VNU | 77.0 | —0.2 |
| Volker-Stevin | 49.8 | —2.0 |
| West Utr Bank | 246.0 | —4.0 |

## ITALY

| Mar. 21 | Price Lire | + or — |
|---|---|---|
| ANIC | 9.50 | +0.25 |
| Assicur Gen. | 48,300 | +370 |
| Banca Com'le. | 11,750 | +200 |
| Bastogi Fin. | 685.0 | +5.5 |
| Fiat | 2,045 | +33 |
| Finsider | 83.00 | +0.75 |
| Invest | 2,379 | +39 |
| Italcementi | 20,250 | +450 |
| Italsider | 315.25 | +17.25 |
| Montedison | 173.25 | +0.25 |
| Olivetti | 2,037 | —23 |
| Pirelli Co | 2,025 | +25 |
| Pirelli SpA | 692 | +3 |
| Snia Viscosa | 629 | ...... |
| do. do. Priv. | 486 | +46 |

## NORWAY

| Mar. 21 | Price Kroner | + or — |
|---|---|---|
| Bergens Bank | 101.5 | ...... |
| Borregaard | 87 | +2 |
| Creditbank | 114.00 | +1.5 |
| Elkem | 87.5 | ...... |
| Kosmos | 475 | +10 |
| Norsk Hydro | 615 | —21 |
| Storebrand | 140 | ...... |

## SWEDEN

| Mar. 21 | Price Kroner | + or — |
|---|---|---|
| AGA | 176 | ...... |
| Alfa-Laval | 122 | +1 |
| ASEA | 68 | +2.0 |
| Atlas Copco | 89 | +2.0 |
| Bofors | 160 | ...... |
| Cellulosa | 132 | +2 |
| Electrolux | 102 | +2 |
| Ericsson | 98.50 | +1 |
| Esselte | 139 | ...... |
| Fagersta | 96 | +3 |
| Granges | 85 | ...... |
| Mo och Dom | 139 | +2 |
| Saab-Scania | 94 | +1 |
| Sandvik | 231 | ...... |
| Skandia | 230 | ...... |
| Skan Enskilda | 117 | ...... |
| SKF | 71.5 | +0.5 |
| St.Kopparberg | 208 | +2 |
| Sven Handelsbn. | 54.0 | +0.5 |
| Tandstik | 86.0 | +1.5 |
| Uddeholm | 76.5 | +2.0 |
| Volvo | 81.5 | ...... |

## SWITZERLAND

| Mar. 21 | Price Frs. | + or — |
|---|---|---|
| Alusuisse | 1,195 | —15 |
| Brown Boveri | 1,620 | ...... |
| Ciba-Geigy | 1,020 | —20 |
| do (Part Certs) | 826 | ...... |
| Credit Suisse | 2,250 | —20 |
| Elektrowatt | 2,220 | +15 |
| Fischer (Geo) | 790 | —10 |
| Hoff-RochePt Cts | 53,500 | +1000 |
| Hoff-Roche 1/10 | 5,325 | —75 |
| Interfood | 4,950 | —25 |
| Jelmoli | 1,315 | +5 |
| Landis & Gyr | 1,310 | ...... |
| Nestle | 3,165 | +5 |
| Oer-Buhrle | 2,610 | —30 |
| Pirelli | 262 | +2 |
| Sandoz (Br) | 3,700 | —50 |
| Sandoz (Pt Cts) | 450 | —10 |
| Schindler(Pt Cts) | 230 | —5 |
| Swissair | 770 | ...... |
| Swiss Bank | 382 | —1 |
| Swiss Reinsce. | 5,425 | —100 |
| Swiss Volksbk. | 1,805 | —5 |
| Union Bank | 3,370 | —15 |
| Winterthur | 2,015 | —35 |
| Zurich Ins. | 12,850 | ...... |

## AUSTRALIA

| Mar. 21 | Price Aust. $ | + or — |
|---|---|---|
| ANZ Group | 4.30 | —0.05 |
| Acrow Aust | 1.00 | ...... |
| Allstate Expl. | 1.15 | —0.28 |
| Ampol Pet. | 1.05 | —0.05 |
| Assoc. Pulp Pap. | 2.00 | ...... |
| Audimco | 0.30 | —0.03 |
| Aust Cons Ind | 2.05 | +0.03 |
| Aust Guarant. | 1.40 | +0.05 |
| Aust Nat Inds. | 2.50 | ...... |
| Aust Paper | 1.65 | +0.03 |
| Bamboo Creek | 0.20 | ...... |
| Bank NSW | 2.87 | —0.08 |
| Blue Metal | 1.50 | ...... |
| Bond Hldgs. | 1.55 | —0.05 |
| Boral | 2.45 | +0.02 |
| Bl'ville Copper | 3.30 | —0.15 |
| Brambles Inds. | 1.95 | —0.05 |
| BHP | 11.85 | —0.45 |
| Brunswick Oil | 0.17 | —0.01 |
| CSR | 5.04 | —0.24 |
| Carlton & Utd | 1.85 | ...... |
| Cluff Oil (Aust.) | 0.27 | —0.01 |
| Do. Opts. | 0.17 | —0.02 |
| Cockburn Cemt. | 1.35 | ...... |
| Coles (G.J.) | 1.96 | ...... |
| Comalco | 4.80 | —0.05 |
| Cons Gold | 5.70 | +0.10 |
| Containers | 2.85 | ...... |
| Conzinc Riotin | 4.90 | —0.10 |
| Costain | 2.80 | —0.15 |
| Crusader Oil | 2.50 | ...... |
| Dunlop | 0.83 | +0.02 |
| Elder Smith GM. | 2.75 | —0.05 |
| Endeavour Res. | 0.35 | —0.05 |
| Escor | 0.85 | ...... |
| Gen Prop Trust | 1.56 | —0.01 |
| Hamersley | 3.40 | ...... |
| Hartogen Energy | 2.85 | —0.05 |
| Hooker | 1.06 | +0.02 |
| ICI Aust | 2.80 | ...... |
| Jennings | 0.95 | ...... |
| Jimberlana Min. | 2.25 | —0.15 |
| Jones (D) | 1.33 | ...... |
| Kia Ora Gold | 0.35 | —0.04 |
| Lennard Oil | 1.50 | —0.10 |
| MIM | 4.20 | —0.20 |
| Meekatharra Ms. | 2.75 | —0.25 |
| Metramar Min | 0.27 | +0.01 |
| Monarch Pet | 0.63 | —0.10 |
| Myer Emp. | 1.48 | +0.01 |
| Nat Bank | 2.48 | —0.02 |
| News | 2.60 | ...... |
| Nicholas Int. | 1.30 | ...... |
| North Bkn Hill | 3.10 | —0.15 |
| Oakbridge | 3.60 | —0.05 |
| Otter Expl | 1.50 | —0.15 |
| Pancon | 6.50 | +0.10 |
| Pan Pacific | 0.15 | —0.02 |
| Pioneer Conc. | 2.00 | +0.01 |
| Queen Marg't G. | 0.31 | ...... |
| Reckitt & Coln | 2.45 | +0.05 |
| Santos | 6.30 | ...... |
| Sleigh (H.C.) | 1.07 | —0.01 |
| Southland Ming. | 0.33 | —0.01 |
| Spargos Expl | 0.49 | —0.01 |
| Thos Natwide | 2.30 | +0.10 |
| Tooheys | 2.15 | ...... |
| Tooth | 2.14 | +0.02 |
| Utah Mining | 4.20 | ...... |
| Valiant Consdt | 0.80 | ...... |
| Waltons | 0.61 | ...... |
| Western Mining | 4.00 | ...... |
| Woolworths | 1.46 | ...... |
| Wormald Intl | 2.90 | ...... |

## HONG KONG

| Mar. 21 | Price H.K. $ | + or — |
|---|---|---|
| Cheung Kong | 19.10 | +0.10 |
| Cosmo Prop | 2.10 | ...... |
| Cross Harbour | 8.90 | ...... |
| Eastn Asia Nav. | 5.05 | +0.05 |
| Hang Seng Bank | 83.0xa | —0.05 |
| HK Electric | 5.25 | —0.05 |
| HK Kowloon Wh. | 58.5 | +1.5 |
| HK Land | 10.70 | —0.20 |
| HK Shanghai Bk. | 21.10 | ...... |
| HK Telephone | 26.0 | +0.3 |
| Hutchison Wpa | 7.25 | —0.05 |
| Jardine Math. | 14.00 | ...... |
| New World Dev. | 3.30 | ...... |
| O'seas Trust Bk. | 4.20 | —0.05 |
| SHK Props | 15.10 | +0.10 |
| Swire Pac A | 7.30 | ...... |
| Wheel'k Mard A | 3.67 | ...... |
| Wheel'k Maritl'e | 4.40 | —0.25 |

## JAPAN

| Mar. 21 | Price Yen | + or — |
|---|---|---|
| Ajinomoto | 520 | ...... |
| Amada | 581 | —4 |
| Asahi Glass | 340 | —3 |
| Bridgestone | 496 | —1 |
| Canon | 582 | —5 |
| Citizen | 320 | +2 |
| Daiei | 760 | —5 |
| DKBO | 405 | +10 |
| Dai Nippon Ptg | 480 | ...... |
| Daiwa House | 291 | +1 |
| Daiwa Seiko | 276 | ...... |
| Ebara | 416 | +11 |
| Eisai | 930 | —8 |
| Fuji Bank | 415 | ...... |
| Fuji Film | 495 | +9 |
| Fujisawa | 792 | —7 |
| Fujitsu Fanuc | 3,010 | —30 |
| Green Cross | 1,600 | ...... |
| Hasegawa | 500 | ...... |
| Heiwa Rl Est | 565 | —1 |
| Hitachi | 243 | +3 |
| Hitachi Koki | 569 | +10 |
| Honda | 543 | —4 |
| House Food | 720 | +10 |
| Hoya | 790 | +20 |
| Itoh (C.) | 447 | —3 |
| Ito Ham | 817 | ...... |
| Ito-Yokado | 1,050 | +10 |
| JACCS | 429 | —1 |
| JAL | 2,330 | ...... |
| Jusco | 660 | —1 |
| Kajima | 280 | +3 |
| Kao Soap | 575 | —2 |
| Kashiyama | 465 | —3 |
| Kikkoman | 361 | —6 |
| Kirin | 389 | —1 |
| Kokuyo | 1,020 | —10 |
| Komatsu | 347 | +7 |
| Komatsu F'lft | 535 | +5 |
| Konishiroku | 424 | +2 |
| Kubota | 355 | —1 |
| Kumagai | 355 | +9 |
| Kyoto Ceramic | 3,650 | +50 |
| Lion | 340 | ...... |
| Maeda Cons | 453 | —6 |

## JAPAN (continued)

| Mar. 21 | Price Yen | + or — |
|---|---|---|
| Makita | 995 | —5 |
| Marubeni | 384 | +3 |
| Marudai | 554 | +6 |
| Marui | 610 | —5 |
| Matsushita | 655 | +2 |
| M'ta Elec Works | 515 | +5 |
| M'bishi Bank | 413 | ...... |
| M'bishi Corp | 728 | —3 |
| M'bishi Elec. | 194 | —1 |
| M'bishi Rl Est | 379 | +1 |
| MHI | 176 | —3 |
| Mitsui Co. | 339 | —4 |
| Mitsui Rl Est | 475 | —5 |
| Mitsukoshi | 399 | +4 |
| NGK Insulators | 466 | —2 |
| Nippon Denso | 1,050 | +10 |
| Nippon Gakki | 675 | —5 |
| Nippon Meat | 420 | ...... |
| Nippon Oil | 2,270 | —10 |
| Nippon Shinpan | 564 | ...... |
| Nippon Steel | 126 | +1 |
| Nippon Suisan | 205 | —2 |
| NTV | 4,750 | ...... |
| Nissan Motor | 655 | +15 |
| Nisshin Flour | 320 | —5 |
| Nisshin Steel | 148 | —1 |
| Nomura | 388 | +2 |
| NYK | 297 | ...... |
| Olympus | 667 | —13 |
| Orient | 925 | +5 |
| Pioneer | 1,800 | —20 |
| Renown | 498 | ...... |
| Ricoh | 529 | +4 |
| Sanyo Elec. | 363 | —12 |
| Sapporo | 225 | —3 |
| Sekisui Prefab | 630 | ...... |
| Sharp | 591 | +11 |
| Shiseido | 898 | +8 |
| Sony | 1,740 | +20 |
| Stanley | 405 | —2 |
| S'tomo Marine | 260 | +3 |
| Taihei Dengyo | 700 | ...... |
| Taisei Corp | 207 | +1 |
| Taisho Pharm | 562 | —8 |
| Takeda | 473 | —2 |
| TDK | 1,790 | +20 |
| Teijin | 143 | —1 |
| Teikoku Oil | 1,140 | ...... |
| TBS | 492 | —8 |
| Tokio Marine | 583 | +2 |
| Tokyo Elect.Pwr. | 850 | +5 |
| Tokyo Gas | 120 | ...... |
| Tokyo Sanyo | 560 | —2 |
| Toshiba | 191 | +1 |
| Tokyo Corp | 221 | ...... |
| TOTO | 395 | —1 |
| Toyo Seikan | 400 | +8 |
| Toyota Motor | 800 | +22 |
| Victor | 1,140 | +110 |
| Wacoal | 693 | +1 |
| Yamaha Motor | 829 | —2 |
| Yamazaki | 480 | ...... |
| Yasuda Fire | 282 | —3 |
| Yokogawa Bdge. | 615 | ...... |

## SINGAPORE

| Mar. 21 | Price $ | + or — |
|---|---|---|
| Boustead Bhd | 4.36 | —0.08 |
| Cold Storage | 2.92 | —0.05 |
| DBS | 5.35 | —0.05 |
| Fraser & Neave | 5.90 | ...... |
| Haw Par | 1.81 | —0.05 |
| Inchcape Bhd | 2.38 | ...... |
| Malay Banking | 8.70 | —0.05 |
| Malay Brew | 4.80 | ...... |
| OCBC | 7.90 | —0.10 |
| Pan Elect | 1.50 | —0.03 |
| Sime Darby | 3.98 | ...... |
| Straits Trdg | 9.20 | —0.05 |
| UOB | 3.94 | —0.06 |

## SOUTH AFRICA

| Mar 21 | Price Rand | + or — |
|---|---|---|
| Abercom | 2.60 | —0.15 |
| AE & Cl | 6.90 | —0.05 |
| Anglo Am. Cp | 13.45 | —0.15 |
| Barlow Rand | 9.45 | —0.25 |
| Buffels | 38.0 | —0.5 |
| CNA Investa | 4.40 | ...... |
| Currie Finance | 1.50 | ...... |
| De Beers | 10.40 | —0.2 |
| East Drie | 24.50 | —1.25 |
| FS Geduld | 56 | —0.5 |
| Gold Fields SA | 82 | ...... |
| Highveld Steel | 4.00 | ...... |
| Huletts | 6.90 | —0.05 |
| Kloof | 30.0 | —0.5 |
| Nedbank | 5.70 | +0.15 |
| OK Bazaars | 15.50 | ...... |
| Protea Hldgs | 2.95 | +0.05 |
| Rembrandt | 6.00 | —0.05 |
| Rennies | 2.75 | —0.05 |
| Rust Plat | 5.3 | —0.1 |
| Sage Hldgs | 2.45 | —0.05 |
| SA Brews | 3.0 | —0.05 |
| SAPPI | 5.95 | ...... |
| Smith CG Sugar | 11.00 | ...... |
| Sorec | 1.55 | ...... |
| Tiger Oats | 14.2 | —0.05 |
| Unisec | 2.10 | —0.05 |

**Financial Rand US$0.94**
**(Discount of 24%)**

## BRAZIL

| Mar. 21 | Price Cruz | + or — |
|---|---|---|
| Acesita | 1.37 | +0.01 |
| Banco Brasil | 2.80 | —0.07 |
| Banco Itau | 1.66 | ...... |
| Belgo Min | 3.40 | +0.10 |
| Lojas Amer | 2.48 | —0.15 |
| Petrobras PP | 2.59 | —0.04 |
| Pirelli | 2.15 | ...... |
| Souza Cruz | 3.58 | —0.02 |
| Unip PE | 5.60 | +0.10 |
| Vale Rio Doce | 5.75 | —0.05 |

T'over Cr.891.4m. Vol. 292.2m.
Source: Rio de Janeiro SE.

Spanish prices, Page 15

NOTES:—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

# Indices

## NEW YORK—DOW JONES

| | Mar. 20 | Mar. 19 | Mar. 18 | Mar. 17 | Mar. 14 | Mar. 13 | 1979-80 High | 1979-80 Low | Since Cmpil'n High | Since Cmpil'n Low |
|---|---|---|---|---|---|---|---|---|---|---|
| ♦Industr'ls | 789.08 | 800.94 | 801.32 | 786.65 | 811.63 | 803.56 | 903.84 (13/2/80) | 788.86 (17/3/80) | 1051.70 (11/7/3) | 41.22 (2/7/32) |
| H'me B'nds | 65.15 | 64.70 | 64.62 | 64.20 | 64.59 | 64.41 | (85.10) (15/8) | 64.06 (6/3/80) | — | — |
| Transport. | 252.32 | 256.38 | 254.97 | 252.31 | 261.78 | 263.15 | 305.90 (8/2/80) | 205.78 (27/2) | 305.90 (8/2/80) | 12.23 (8/7/32) |
| Utilities | 101.73 | 101.79 | 101.28 | 100.64 | 102.81 | 103.21 | 115.46 (13/2/80) | 93.24 (24/10) | 163.32 (20/4/69) | 10.52 (28/4/42) |
| TradingVol 000's | 32,560 | 56,550 | 47,340 | 57,020 | 55,160 | 33,070 | — | — | — | — |

♦Day's high 804.61 low 765.92

| | Mar. 14 | Mar. 7 | Feb. 29 | Year ago (approx) |
|---|---|---|---|---|
| Ind. div. yield % | 6.41 | 6.00 | 6.02 | 5.80 |

## STANDARD AND POORS

| | Mar. 20 | Mar. 19 | Mar. 18 | Mar. 17 | Mar. 14 | Mar. 13 | 1979-80 High | 1979-80 Low | Since Cmpil'n High | Since Cmpil'n Low |
|---|---|---|---|---|---|---|---|---|---|---|
| ‡Indust'ls | 115.78 | 116.27 | 118.05 | 115.61 | 119.50 | 119.34 | 134.47 (13/2/80) | 107.08 (27/2) | 134.64 (11/1/73) | 3.52 (30/6/32) |
| §Composite | 105.12 | 104.51 | 104.10 | 102.25 | 105.43 | 105.62 | 118.44 (13/2/80) | 96.13 (27/2) | 125.85 (11/1/73) | 4.40 (1/6/32) |

| | Mar. 19 | Mar. 12 | Mar. 5 | Year ago (approx) |
|---|---|---|---|---|
| Ind. div. yield % | 5.59 | 5.37 | 5.14 | 5.03 |
| Ind. P/E Ratio | 7.56 | 7.56 | 7.95 | 8.58 |
| Long Gov. Bond Yield | 11.93 | 12.29 | 12.32 | 9.02 |

## N.Y.S.E. ALL COMMON

| Mar. 20 | Mar. 19 | Mar. 18 | Mar. 17 | 1979-80 High | 1979-80 Low |
|---|---|---|---|---|---|
| 53.66 | 55.31 | 59.09 | 58.22 | 67.77 (13/2/80) | 53.88 (27.3) |

| Rises and Falls | Mar. 20 | Mar. 19 | Mar. 18 |
|---|---|---|---|
| Issues Traded | 1,865 | 1,864 | 1,913 |
| Rises | 498 | 889 | 793 |
| Falls | 967 | 578 | 788 |
| Unchanged | 390 | 397 | 332 |
| New Highs | 6 | 1 | — |
| New Lows | 147 | 120 | 312 |

## MONTREAL

| | Mar. 20 | Mar. 19 | Mar. 18 | Mar. 17 | 1979-80 High | 1979-80 Low |
|---|---|---|---|---|---|---|
| Industrial | 396.30 | 370.47 | 364.46 | 358.41 | 423.80 (29/2/80) | 213.13 (2/1) |
| Combined | 352.67 | 356.56 | 351.28 | 328.12 | 376.90 (29/2/80) | 225.80 (2/1) |
| TORONTO Composite | 1906.5 | 1924.0 | 1884.7 | 1864.8 | 2192.6 (29/2/80) | 1315.8 (2/1) |

## NEW YORK ACTIVE STOCKS

| Thursday | Stocks traded | Closing price | Change on day | | Stocks traded | Closing price | Change on day |
|---|---|---|---|---|---|---|---|
| Texaco | 557,100 | 34⅝ | —1⅛ | Gulf Oil | 342,500 | 40¼ | —2⅝ |
| Mobil | 480,000 | 71 | —4⅛ | U.S. Gypsum | 338,700 | 26½ | —¼ |
| IBM | 475,200 | 58¼ | —⅞ | Benquet | 325,900 | 8⅞ | —1⅛ |
| Exxon | 422,000 | 57⅞ | —1 | Stauffer Chem. | 281,000 | 15 | —1¼ |
| Philips Petrlm. | 355,000 | 44½ | —2½ | Conoco | 245,600 | 44½ | —1 |

| | Mar. 21 | Mar. 20 | Mar. 19 | Mar. 18 | 1979-80 High | 1979-80 Low |
|---|---|---|---|---|---|---|
| **AUSTRALIA** | | | | | | |
| Sydney All Ord. (1966/59) | 765.94 | 795.07 | 781.45 | 770.62 | 947.47 (14/2/80) | 545.72 (2/1/79) |
| Metals & Minls (1966/59) | 4615.05 | 4902.81 | 4734.27 | 4642.35 | 6580.85 (14/2/80) | 2587.34 (2/1/79) |
| **AUSTRIA** | | | | | | |
| Credit Aktien (2/1/62) | 68.48 | 68.73 | 68.70 | 68.74 | 89.40 (7/1/80) | 61.58 (2/5/79) |
| **BELGIUM** | | | | | | |
| Belgian SE (31/12/63) | 93.14 | 94.15 | 93.61 | 92.65 | 109.47 (5/10) | 92.65 (19/3/80) |
| **DENMARK** | | | | | | |
| Copenhagen SE (1/1/73) | 75.50 | 75.50 | 75.94 | 75.81 | 97.48 (25.7) | 74.78 (5/3/80) |
| **FRANCE** | | | | | | |
| CAC General (29/12/61) | 104.20 | 106.1 | 105.6 | 103.40 | 116.2 (14/2/80) | 82.4 (16/2/79) |
| Ind Tendance (28/12/79) | 98.70 | 100.3 | 101.1 | 95.10 | 109.7 (15/2/80) | 95.6 (5/1/80) |
| **GERMANY** | | | | | | |
| FAZ-Aktien (31/12/58) | 217.11 | 219.93 | 218.57 | 218.55 | 265.60 (16/1/79) | 217.11 (21/3/80) |
| Commerzbank (Dec. 1953) | 682.50 | 690.6 | 689.4 | 566.50 | 859.60 (16/1/79) | 682.50 (21/3/80) |
| **HOLLAND** | | | | | | |
| ANP-CBS General (1970) | 76.3 | 77.2 | 77.4 | 79.2 | 94.2 (24/1/79) | 76.2 (18/3/80) |
| ANP-CBS Indust. (1970) | 60.1 | 60.3 | 60.4 | 59.5 | 85.9 (24/1/79) | 58.6 (19/3/80) |
| **HONG KONG** | | | | | | |
| Hang Seng Bank (31/7/64) | 764.46 | 766.49 | 758.32 | 747.76 | 963.17 (15/2/80) | 493.85 (2/1/79) |
| **ITALY** | | | | | | |
| Banca Comm. Ital (1972) | 93.45 | 92.76 | 91.86 | 90.33 | 95.51 (26/2/80) | 68.38 (2/1/79) |
| **JAPAN** | | | | | | |
| Dow Average (16/5/49) | 6571.77 | (c) | 6584.79 | 6578.21 | 6658.98 (14/2/80) | 5926.97 (10/4) |
| Tokyo New SE (4/1/68) | 455.57 | (c) | 452.91 | 452.52 | 472.65 (14/2/80) | 435.13 (16.7) |
| **NORWAY** | | | | | | |
| Oslo SE (1/1/72) | 118.86 | 122.42 | 122.24 | 116.37 | 144.70 (14/2/80) | 74.46 (16/1/79) |
| **SINGAPORE** | | | | | | |
| Straits Times (1966) | 453.45 | 457.53 | 462.43 | 455.16 | 504.11 (6/3/80) | 346.34 (28/2/79) |
| **SOUTH AFRICA** | | | | | | |
| Gold (1958) | — | 546.5 | 520.2 | 496.5 | 604.3 (6/3/80) | 226.40 (17/4) |
| Industrial (1958) | — | 431.2 | 489.6 | 435.6 | 517.2 (14/2/80) | 270.50 (2/1/79) |
| **SPAIN** | | | | | | |
| Madrid SE (28/12/79) | 100.06 | 99.98 | (c) | 100.45 | 108.28 (21/2/80) | 99.51 (15.1.80) |
| **SWEDEN** | | | | | | |
| Jacobson & P. (1/1/58) | 374.51 | 369.50 | 368.28 | 367.65 | 401.34 (6/2/79) | 331.37 (24.9) |
| **SWITZERLAND** | | | | | | |
| Swiss Bank Cp. (31/12/58) | 284.60 | 286.1 | 284.5 | 280.9 | 329.10 (2.5) | 280.9 (18/3/80) |
| **WORLD** | | | | | | |
| Capital Intl. (1/1/70) | — | 125.8 | 126.1 | 125.4 | 145.3 (13/2/80) | 122.2 (1.5.79) |

Base values of all indices are 100 except NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

# Tooth and Hooker propose merger

By James Forth in Sydney

TOOTH AND CO., the prominent New South Wales brewer, has announced plans to acquire the Hooker Corporation, property group.

The two companies describe the proposal as a merger rather than a takeover, although it will be accomplished through the issue of Tooth shares. However, Mr. J. Keith Campbell, the present chief executive of Hooker, will head the combined group, after Tooth's chief executive, Mr. Harry Alce, retires this year. Meanwhile, the two men will be joint chief executives.

Tooth is offering 11 of its shares, which closed in Sydney yesterday at A$2.14, for every 20 Hooker shares. The bid values Hooker shares at A$1.19 compared with yesterday's close of A$1.05.

Tooth is capitalised at about A$160m and the offer values Hooker at A$82m. The combination of Tooth and Hooker would create a group with shareholders' funds of A$350m, assets of A$650m and an annual turnover of more than A$750m (U.S.$815m).

The two companies have had a close working association for many years. Hooker has acted for Tooth in numerous hotel and other transactions.

The companies jointly own a property company named Property Resources. The merger raises the prospect of large-scale redevelopment of some of Tooth's 500 hotel sites.

Beer and real estate apart, the combined company would also have interests in sand mining, wines, leisure, retailing, and beef cattle.



# St. Gobain profits rise by 58% to FFr650m

BY ROBERT MAUTHNER IN PARIS

SAINT - GOBAIN - Pont - à - Mousson, the highly diversified French glassmaking and pipe conglomerate and the country's largest quoted company, yesterday announced provisional consolidated profits for 1979 of FFr 650m ($148m), a rise of 58 per cent over 1978.

Consolidated sales showed a smaller increase, to FFr 35.3bn from FFr 34.2bn. That represented a rise of 11 per cent after changes in the structure of the group and the disposal of Davum, its former steel stockholding subsidiary, are taken into account.

Cash flow increased by 16 per cent to FFr 2.5bn, while investments, at FFr 2.75bn, remained roughly at their 1978 level.

A report issued to the workforce, however, emphasised that the bare profit figures gave an over-optimistic picture of the group's position. It indicated that the figures were swollen by much greater sales of assets (mainly property in Paris) than in 1978. They totalled FFr 410m, compared with FFr 258m the previous year.

Neither should the big increase in earnings last year mask the fact that they were still lower than in 1974, when they amounted to FFr 704m, the report said.

Yet since that year, group sales have risen by 70 per cent. If net profits had maintained the same rate of progress, they should now have been in the region of FFr 1.2bn.

On the other hand, the profit figures also took into account heavy exchange rate losses suffered by the company last year, mainly as a result of the conversion of Brazilian cruzeiros into francs.

The currency conversion losses totalled FFr 400m, against only FFr 288m in 1978, and have increased eight-fold since 1974. Charges against closures and compensation payments to personnel laid off as a result of the company's sweeping reorganisation plan also totalled FFr 400m, compared with FFr 348m in 1978.

In spite of some of the pessimistic comments made in the report, however, it is clear that the group's situation has improved markedly since the introduction of its re-structuring plan, which has really begun to take effect in the past 12 months.

# EDF faces heavy borrowing

BY TERRY DODSWORTH IN PARIS

ELECTRICITE DE FRANCE, the French nationalised utility that has just had a large portion of its state debts written off, will be forced to borrow heavily again this year to maintain its investment on its ambitious nuclear energy programme.

The strain that the spending on nuclear power stations is imposing on the company's finances was revealed yesterday in its 1979 accounts, which showed that, while losses amounted to FFr 677m ($156m), investments rose last year by 40 per cent to FFr 23.3bn ($5.4bn).

That figure, of which FFr 30bn was spent on nuclear development, was not much less than half the FFr 49.3bn that Electricité de France generated in sales.

The EDF drive towards nuclear power generation is aimed at producing about half the country's electricity by that means in 1985. Last year, virtually one unit of electricity in five was generated in a nuclear station, a 38 per cent rise on 1978.

Although there has been some parliamentary criticism of the expenditure on the programme, the Government has made clear that it fully supports EDF, which now accounts for 4.5 per cent of the country's total annual investment.

In an effort to reduce the company's financial charges, the authorities have capitalised FFr12.4bn of the debt that EDF had run up with State investment organisations, and a further FFr1.9bn has been injected in capital and loans.

In spite of this financial restructuring, and a tariff increase of 9 per cent in January, EDF says that its total financing needs this year will rise to FFr 37bn, of which about FFr 28bn is expected to go into investment. Some FFr 23bn will probably have to come from loans, much of it from overseas.

# Weakness of dollar hits EBC

BY MICHAEL LAFFERTY,

THE WEAKNESS of the dollar, tight lending margins and the collapse in bond prices all contributed to leave the 1979 pretax profits of European Banking Company unchanged at £2.2m.

EBC's revenues from dealing, securities underwriting, Euro-currency loans and other fee income arise primarily in U.S. dollars. Had those dollars been realised at the same rates as last year, earnings for 1979 would have been 25 per cent ahead, the bank states.

During the year, EBC managed or co-managed 20 capital market issues or private placements for a total of $1.2bn, against 15 issues and a volume of $758m in 1978.

In the syndicated lending market, EBC managed or co-managed 15 medium-term credits for a total volume of $1.1bn, against 17 credits and a volume of $740m in 1978.

During the year, the bank established a section in its dealing room to serve important corporate clients exclusively.

Mr. P-E Janssen, the EBC chairman, says that inflationary expectations have become so entrenched as to threaten the orderly functioning of the long-term credit markets, both nationally and internationally.

# Bonus share issue plan by Heineken

By Charles Batchelor in Amsterdam

HEINEKEN, the Dutch beer and drinks group, has announced plans for a one-for-four free issue of bonus shares after achieving higher profits and sales in the 15 months to last December.

The group also proposes to pay a dividend of Fl 4.40 in cash per Fl 25 nominal share over the 15 months, compared with Fl 3.50 in the preceding year. The extended accounting period is the result of Heineken's decision to align its book year with the calendar year.

The company reported consolidated net profit of Fl 143.6m ($70m) in the 15 months, on sales of Fl 3.35bn ($1.7bn).

In the calendar year 1979, net profit was Fl 125.7m, an increase of 5.9 per cent on the Fl 118.7m for 1978. Sales in the year rose by 7.5 per cent to Fl 2.87bn.

Heineken proposes to make a one-for-four issue of bonus shares from the general reserve. To compensate shareholders for the tax due on that, it will also make a cash payment equal to the Dutch income tax requirement on the bonus issue.

# Record result from Jelmoli

By John Wicks in Zurich

THE SWISS department store concern Jelmoli has announced record results for the past year.

The group's net profits rose 10.3 per cent to SwFr27.8m ($15.7m), from SwFr25.2m in 1978. Cash flow increased 7.2 1978. Cash flow increased 7.2 per cent to SwFr69.9m ($39.7m) after a 6.5 per cent improvement in turnover to SwFr1.05bn ($596.6m). The current year is expected to produce even better figures, with group sales likely to grow by 3 to 5 per cent.

The Zurich parent company Grands Magasins Jelmoli, is to pay an increased dividend of SwFr23 per share, up from SwFr21 in 1978 to minority shareholders. A majority stake is held in the company by the Basle-based trading company UTC International.

# Alcan prospects good for 1980s

BY ROBERT GIBBENS IN MONTREAL

ALCAN ALUMINIUM expects to sell all the basic metal it can produce this year, and "up to now, our volume and margins have run higher than expected," David Culver, president, told the annual meeting.

"If we can maintain or improve our return on equity, we expect to grow faster than the estimated average industry rate in this decade."

The industry estimates that an average yearly increase in free world smelting capacity of 4 to 5 per cent will be sufficient to meet demand in the 1980s, but much will depend on the price relationship between aluminium and competitive materials.

"Our objective is to line up sufficient energy at reasonable cost to allow Alcan to be able to increase its basic capacity at 5 to 6 per cent per year, should that prove in our interest."

He said there is some evidence that the purely speculative element in extremely high spot prices for ingot that prevailed early this month has been eliminated.

"We believe prices we are now quoting in our many markets are representative of actual market conditions. As of now, we believe these prices will either stay as they are or go up slightly."

He said that Alcan was in contact with the British Columbia Government on the proposal to complete the Kemano hydro project in northern BC and to build a further 300,000 tonnes of smelting capacity at Kitimat, near by, over and above the present 270,000 tonnes.

# NY Times moves into cable TV

By David Lascelles in New York

THE NEW YORK TIMES is to join the growing movement of publishing companies into cable television.

The New York Times Company plans to buy two cable TV companies that operate in southern New Jersey and cover an area extending into south-east Pennsylvania. The main towns in the area include Camden and Philadelphia.

The companies are Audubon Electronics and Cable Systems, which serve about 225,000 households. One of the principal owners of the two systems is Mr. Irving Kahn, who formerly headed Teleprompter Corporation, one of the pioneers of cable TV in the U.S.

The deal will have to be approved by the New Jersey authorities. At the moment, the two systems have 42,000 subscribers. But new customers are being signed up rapidly and Mr. Kahn said in a recent interview that he expected the companies to have 100,000 subscribers before long.

The price of the deal was not disclosed. However, the value of cable TV companies is directly related to the number of subscribers they have. Recent cable TV takeovers have valued subscribers at anything between $500 and $750 each.

# McCormick forecasts 15% annual growth rate

By Our Financial Staff

McCORMICK, the big U.S. spice manufacturer, plans to be a billion-dollar company in sales by 1985, with profits and dividends at nearly two and a-half times their 1979 levels.

Mr. Hillsman V. Wilson, president of the Maryland-based company, said at the annual meeting that McCormick expects annual growth in net sales and in net income of 15 per cent during the 1980s.

The company is fighting a $37-a-share takeover bid from Sandoz, the Swiss pharmaceuticals and foods group, which values McCormick at $420m.

Mr. Wilson said that the company's objectives for the 1980s included after-tax returns on net assets of 12 per cent and a dividend payout of 27 to 30 per cent of net income.



COMMODITIES/REVIEW OF THE WEEK

# Carter plans bring gloom to metals

BY OUR COMMODITIES STAFF

THE ANTI-INFLATION measures announced by President Carter cast a general air of gloom over the metal markets, since it is feared they will result in a reduction in demand if an industrial recession develops in the U.S. However, pessimism about the measures had already been discounted to a large extent by previous price falls leaving the markets somewhat oversold.

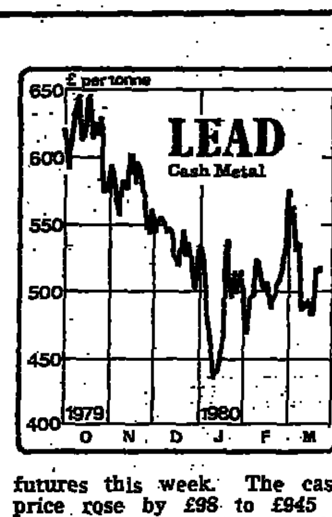
At the same time, the rise in the value of the dollar against sterling encouraged an upward trend in London markets.

Copper, for example, after falling in line with gold initially subsequently rallied strongly. There was a sharp decline yesterday following forecasts of a rise in warehouse stocks and a general weaker undertone. Cash wirebars closed £31 down last night at £1,004 a tonne, £9 lower than a week ago.

Lead advanced on a renewed scarcity of immediately available supplies. The cash price closed £26 up on the week at £526 a tonne, while the three-months quotation was only £1.5 higher at £470.

It was thought that the shortage of cash supplies would be relieved by shipments of U.S. lead to Europe, but there are now some doubts whether these supplies will go into LME warehouses. It is believed they may already have been snapped up by consumers direct.

A similar shortage of nearby supplies also boosted aluminium futures this week. The cash price rose by £98 to £945 a tonne, more than offsetting the losses of the previous week. In contrast the three months quotation gained only £23.5 to £861.




In the precious metal markets, platinum and silver followed the initial decline in gold and its subsequent rally before falling again yesterday. Free market platinum was £45.80 down on the week at £288.65 an ounce, and the bullion spot price of silver 83.95p lower at 960.3p. But there was much wider movement during the week.

World sugar values rose again this week, recovering much of last week's decline. The London daily raws price climbed to £210 a tonne before falling £2 yesterday to end the week £13 up on balance. The upward trend was resumed on the futures market during the afternoon encouraged by market rumours that a leading trade house will issue a forecast next week indicating a 5.5m tonnes world supply deficit for the 1979-80 season. This compares with a 3m deficit forecast by the same trade house earlier, dealers said.

The main influence on the earlier rise, it was suggested, was Chinese buying, estimated at between 100,000 and 250,000 tonnes. It was also encouraged by an estimate that drought had cut the Indian crop by 15 per cent.

Cocoa prices moved up steadily with the May futures position ending £33 higher on the week at £1,430.50 a tonne.

The main interest in the cocoa market centred on the prospects for renegotiation of the International Cocoa Agreement following the breakdown of the latest producer consumer talks. Producers are holding a "summit" meeting in the Ivory Coast beginning tomorrow, reportedly to discuss price support measures to be brought into force should the agreement not be extended when it expires on March 31.

After quiet trading throughout the week, coffee futures prices moved sharply higher yesterday. The May position gaining £20 to end £34.5 up on balance at £1,682 a tonne. Dealers said the rise was encouraged by producer and speculative buying.

## WEEKLY PRICE CHANGES

| | Latest prices per tonne unless stated | Ch'nge on week | Year ago | 1979/80 High | 1979/80 Low |
|---|---|---|---|---|---|
| **METALS** | | | | | |
| Aluminium | £810/815 | — | £710 | £810/815 | £710 |
| Free Markets c.i.f. | $1,550/1,350 | +90 | $1,520/40 | $2,190 | $1,210 |
| Antimony | | | | | |
| Free Market 99.6% | $3,365/3,435 | +47.5 | $3,000/50 | $3,410 | $2,712.5 |
| Copper Cash Wire Bars | £1,004 | —9 | £1,062.5 | £1,372 | £769 |
| 3 months Do. Do. | £1,016.5 | —10 | £1,075.75 | £1,376.5 | £785.75 |
| Cash Cathodes | £957.5 | —20 | £1,054 | £1,316 | £744 |
| 3 months Do | £987.5 | —15 | £1,068 | £1,343.5 | £767.25 |
| Gold per oz | $529 | —1 | $243.625 | $835 | $216.625 |
| Lead cash | £522.5 | +26 | £558 | £701.5 | £434.5 |
| 3 months | £470 | +1.5 | £528 | £642.5 | £420.75 |
| Nickel | £3,335 | — | £2,523.14 | £3,335 | £2,320.69 |
| Free Market c.i.f. lb | 295/310c | —5 | 232/40c | 340c | 166c |
| Platinum per oz | £189 | — | £164.5 | £195 | £153 |
| Free Market per oz | £288.65 | —45.8 | £199.35 | £466.6 | £166.6 |
| Quicksilver (76lbs.) | $395/405 | — | $250/60 | $410 | $160 |
| Silver per oz | 960.3p | —83.95 | 371.25p | 2,165.85p | 269.4p |
| 3 months per oz | 989.3p | —99.95 | 380.55p | 2,185.05p | 303.7p |
| Tin cash | £7,835 | +65 | £7,385 | £8,350 | £6,320 |
| 3 months | £7,862 | +57.5 | £7,317.5 | £8,385 | £6,365 |
| Tungsten Ind | $141.14 | +2.38 | $137.51 | $145.56 | $127.94 |
| Wolfram (22.04 lb) | $147/151 | +1.5 | $138/43 | $147/151 | $120.5 |
| Zinc cash | £329 | —6 | £395.25 | £408.5 | £275.5 |
| 3 months | £334.25 | —6.25 | £406.75 | £423.5 | £286.25 |
| Producers | $825 | — | $800 | $845 | $720 |
| **GRAINS** | | | | | |
| Barley | | | | | |
| Home Futures | £93.85 | —0.6 | £86.55 | £101.55 | £85.8 |
| Maize | | | | | |
| French No. 3 Yellow (Amer) | £116 | — | £109 | £120 | £105.5 |
| **WHEAT** | | | | | |
| No. 1 Red Spring | ‡ | — | | £99.0 | £92.0 |
| Am. Hard Winter | ‡ | — | £90.5 | £111.75 | £83.5 |
| Eng. Milling (new crop) | ‡ | — | £103.5 | £107.5 | £43.5 |
| **SPICES** | | | | | |
| Cloves (g) | $4,175w | — | $3,950 | $4,175 | $3,850 |
| Pepper, white | $2,575w | —75 | $2,600 | $2,850 | $2,675 |
| " black | $1,850w | —100 | $1,650 | $3,025 | $1,660 |
| **OILS** | | | | | |
| Coconut (Philippines) | $735y | —35 | $1,015 | $1,175 | $735 |
| Groundnut 5% | ‡ | | | ‡ | ‡ |
| Linseed, Crude | £459 | +25 | £441 | £459 | £368 |
| Palm Malayan | $640x | +10 | $674 | $725 | $592 |
| **SEEDS** | | | | | |
| Copra (Philippines) | $502.5 | —7.5 | $695 | $745 | $502.5 |
| Soyabeans (U.S.) | $277.10z | 0.65 | $319 | $350.45 | $235.2 |
| **OTHER COMMODITIES** | | | | | |
| Cocoa Shipment | £1,461 | +39 | £1,711.5 | £2,041 | £1,390 |
| Fut's 2nd pos. | £1,430.5 | +33 | £1,676.25 | £1,990.5 | £1,330.5 |
| Coffee Futures May | £1,682 | +34.5 | £1,473 | £2,089 | £1,298.5 |
| Cotton Index | 83.45c | —1.7 | 75.6c | 98.40c | 72.5c |
| Des. Coconut | £700 | — | £720 | £740 | £700 |
| Jute UJ BWC grade | £218w | — | $476 | £263 | £218 |
| Rubber kilo | 68p | +1 | 60p | 80p | 55p |
| Sago Pearl | £209w | — | £185 | £219 | £178 |
| Sisal No. 3 L | $885 | — | $576 | $885 | $515 |
| Sugar (Raw) | £208 | +13 | £105 | £287 | £92.5 |
| Tapioca No. 1 | £207w | — | £159 | £211 | £167 |
| Tea (quality) kilo | 145p | +1 | 132p | 156p | 133p |
| " (plain) kilo | 64p | — | 75p | 82p | 57p |
| Wooltops 64s Warp | 308p kilo | +2 | 281p kilo | 308p kilo | 262p kilo |

‡ Unquoted. (g) Madagascar. (x) May. (z) April. (t) June. (w) March/April. (y) April/May. (v) July.

# MARKET REPORTS

## BASE METALS

COPPER—Lower on the London Metal Exchange reflecting forecasts of a rise in warehouse stocks and following a sharp fall in prices in New York. Forward metal opened around £1,030 but dipped to £1,020 ahead of the stocks indications. The market recovered briefly to touch £1,030 but thereafter fell away with the downturn Comex depressing forward metal in London to the day's low of £1,016.5 before a close on the late kerb of £1,022. Turnover 18,150 tonnes.

| COPPER | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Wirebars | | | | |
| Cash | 1013-4 | —22 | 1003-5 | —31 |
| 3 months | 1023-5 | —24.5 | 1016-7 | —28 |
| Settlem't | 1014 | —32 | | ...... |
| Cathodes | | | | |
| Cash | 966-7 | —30 | 955-60 | —31 |
| 3 months | 996-7 | —32 | 985-90 | —31.5 |
| Settlem't | 967 | —30 | | ...... |
| U.S. Prod | — | ...... | *94-102 | ...... |

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £1,012, 13, three months £1,022, 24, 23, 22, 20, 19, 18, 17, 19, 18, 20, 21, 22, 23, 24. Cathodes, cash £967, three months £997. Kerb: Wirebars, three months £1,023, 24, 23, 22, 21, 22, 23. Afternoon: Wirebars, three months £1,018, 19, 18, 17, 16, 15, 16, 20, 18, 17, 16, 17. Kerb: Wirebars, three months £1,018, 18, 17, 18, 19, 20, 21, 22, 21.

TIN—Barely changed on balance. The rise at Penang prompted an opening of £7,880 for forward metal. Thereafter prices held steady with three months metal dipping to £7,860 in the afternoon prior to recovering to close the late kerb at £7,870. Turnover 865 tonnes.

| TIN | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| High Grade | £ | £ | £ | £ |
| Cash | 7850-70 | —25 | 7830-40 | +2.5 |
| 3 months | 7890-20 | +25 | 7860-5 | —5 |
| Settlem't | 7870 | —50 | — | ...... |
| Standard | | | | |
| Cash | 7850-70 | —25 | 7830-40 | +2.5 |
| 3 months | 7880-90 | ...... | 7860-5 | —5 |
| Settlem't | 7870 | —50 | — | ...... |
| Straits. E. | †$2309 | +24 | — | ...... |
| NewYork | — | | | ...... |

Morning: Standard, cash £7,870, three months £7,865, 70, 80, 85, 80. Kerb: Standard, three months £7,880. Afternoon: Standard, cash £7,830, three months £7,860, 65. Kerb: Standard, three months £7,860, 70.

LEAD—Barely changed in quiet trading. Forward metal moved up from £469 to touch £475 before easing to close the late kerb at £470. The recent tight nearby supply situation continued throughout the day prior to easing on the afternoon kerb when cash material was freely available. Turnover 6,375 tonnes.

| LEAD | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 530-3 | +2 | 520-5 | +5 |
| 3 months | 472-3 | +5 | 469-71 | —.125 |
| S'ment | 533 | +3 | — | ...... |
| U.S. Spot | — | ...... | *50 | ...... |

Morning: Three months £468, 69, 71, 70, 71, 72, 73, 74, 73, 72.5, 72. Kerb: Three months £474, 73. Afternoon: Cash £530, 28, three months £470, 71, 70. Kerb: Three months £470.

ZINC—Marginally firmer in quiet and routine trading with forward metal finally quoted at £334 on the late kerb. Turnover 4,500 tonnes.

| ZINC | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 330-1 | +1 | 328-30 | +1 |
| 3 months | 336-5 | ...... | 334-.5 | +.75 |
| S'ment | 331 | +1 | — | ...... |
| Primw'ts | — | ...... | *39.5 | ...... |

Morning: Cash £330, 33, 31, three months £333, 35. Kerb: Three months £335, 34. Afternoon: Three months £332, 31, 32, 33, 34. Kerb: Three months £335.

ALUMINIUM — Easier for forward metal although the feature of the day's trading was the extreme tightness of nearby supplies which saw cash material move up to £955 at one point. Forward metal remained fairly steady throughout the day, sustained by the good demand for cash metal, trading between £858 and £868 before closing the late kerb at £865. Turnover 5,425 tonnes.

| Alumin'm | a.m. Official | + or — | p.m. Unoffic'l | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Spot | 912 7 | —8 | 940-50 | +28.5 |
| 3 months | 858-9 | —14 | 860-2 | —7.5 |

Morning: Cash £912, three months £856, 57, 58, 60, 59, 58. Kerb: Three months £859. Afternoon: Three months £860, 65, 66, 68, 60. Kerb: Cash £955, three months £865, 70, 65, 67, 65.

NICKEL—Lower for three months metal, which remained neglected. Forward metal opened around £3,160 and dipped to £3,140 before closing the late kerb at £3,147.5. On the other hand, good buying and borrowing of cash material was reported, despite forecasts of a rise in warehouse stocks, and the contango narrowed sharply to around £90. Turnover 594 tonnes.

| NICKEL | a.m. Official | + or — | p.m. Unoffic'l | + or — |
|---|---|---|---|---|
| Spot | 3030-50 | ...... | 3055-60 | +.5 |
| 3 months | 3130-40 | —20 | 3145-50 | —27.5 |

Morning: Cash £3,060, 65, 60, three months £3,160, 50, 55, 45, 40. Afternoon: Cash £3,050, 65, three months £3,145. Kerb: Cash £3,055, three months £3,150.

* Cents per pound. $ $M per picul. † On previous unofficial close.

## SILVER

Silver was fixed 66.3p an ounce lower for spot delivery in the London bullion market yesterday at £9.603. U.S. equivalents of the fixing levels were: Spot $21.03, down $1.57; three-month $21.73, down $1.617; six-month $22.557, down $1.612; and 12-month $23.262, down $1.599. The metal opened at £9.75-10.2 ($21¼-22¼), and closed at £9.8-10.1 ($21-22).

| SILVER per troy oz. | Bullion fixing price | + or — | L.M.E. p.m. Unoffic'l | + or — |
|---|---|---|---|---|
| Spot | 960.3p | —66.3 | 980p | —9.5 |
| 3 months | 989.3p | —61.5 | 1014p | —8 |
| 6 months | 1025.3p | —69.5 | — | ...... |
| 12months | 1058.7p | —69.3 | — | ...... |

LME—Turnover 147 (188) lots of 10,000 ozs. Morning: Three months 1010, 980, 985. Kerbs: Three months 985, 90. Afternoon: Three months 995, 1000, 990, 1010, 15, 20, 18. Kerbs: Three months 1018, 15, 20.

## COCOA

Futures continued to drift in sluggish trading conditions and at the close were once again, little altered to the previous closing levels, reports Gill and Duffus.

| COCOA | Yesterd'ys Close | + or — | Business Done |
|---|---|---|---|
| March | 1405-12 | +9.0 | 1410-1397 |
| May | 1430-31 | +3.0 | 1436-25 |
| July | 1441-42 | +7.0 | 1445-37 |
| Sep | 1449-52 | +2.0 | 1455-46 |
| Dec | 1480-81 | +1.5 | 1485-80 |
| March | 1501-08 | —2.5 | 1510 |
| May | 1520-30 | —6.5 | — |

Sales: 1,184 (1,282) lots of 10 tonnes.

International Cocoa Organisation (U.S. cents per pound): Daily price March 20, 139.80 (139.73). Indicator price March 21: 15-day average 140.51 (140.63); 22-day average 141.15 (141.38).

## COFFEE

Robustas opened higher, however good trade participation on both sides of the market held the values in a very narrow range throughout the morning session. Local profit taking towards the close cut into gains slightly as prices finished just off the highs of the day, reports Drexel Burnham Lambert.

| COFFEE | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| March | 1645-49 | +17.0 | 1655-43 |
| May | 1680-84 | +20.0 | 1685-74 |
| July | 1710-11 | +21.0 | 1714-00 |
| Sept | 1740-42 | +16.0 | 1747-31 |
| Nov | 1742-43 | +14.0 | 1745-32 |
| January | 1730-38 | +10.0 | 1740-30 |
| March | 1690-00 | +12.0 | 1710-00 |

Sales: 4,619 (4,532) lots of 5 tonnes.

ICS indicator prices for March 19 (cents per pound): Other Mild Arabicas 185.50 (184.00); Robustas ICA 1976 168.5 (168.00); ICA 1968 168.75 (168.25); Unwashed Arabicas 205.00 (same). Comp. daily ICA 1968 189.17 (189.08).

## GRAINS

LONDON GRAIN FUTURES—After opening lower the market saw stop-loss pressure in the old crops, in particular wheat. Old crop trade was quieter after lunch with prices rallying a little before weakening again. New crops were heavily traded, reports Acli.

| | WHEAT | | BARLEY | |
|---|---|---|---|---|
| Mnth | Yest'rdays close | + or — | Yest'rday close | + or — |
| Mar. | 92.40 | —0.65 | 92.30 | +0.10 |
| May | 94.60 | —0.70 | 93.85 | —0.50 |
| Sept | 93.70 | —0.25 | 91.80 | —0.05 |
| Nov | 97.70 | —0.38 | 95.90 | —0.0 |
| Jan | 101.60 | —0.38 | 99.85 | —0.1 |

Business done—Wheat: March 92.85-92.75, May 95.05-94.50, Sept. 93.85-93.85, Nov. 97.90-97.70, Jan. 101.85-101.65. Sales: 223 lots of 100 tonnes. Barley: March 92.50-92.00, May 94.00-93.85, Sept. 91.80-91.80, Nov. 95.95-95.85, Jan. 99.95-99.85. Sales: 235 lots of 100 tonnes.

HGCA — Locational ex-farm spot prices. Other milling wheat: Eastern 96.00, E. Midlands 95.00. Feed barley: E. Midlands 93.20, N. East 92.90, Scotland 91.90.

The UK Monetary Coefficient for the week beginning Monday, March 24, is to decrease to 1.023.

IMPORTED—Wheat: U.S. Dark Northern Spring No. 2 14 per cent, April 96.50, May 96.40, June 96.30 transhipment East Coast. English Feed fob 98.50 East Coast. Maize: U.S./French March 116, April 117 transhipment East Coast. South African Yellow April 75.50. Barley: English Feed fob March unquoted, April 99, April-June 99.50 East Coast. Rest unquoted.

## RUBBER

The London physical market opened about unchanged with little interest throughout the day, closing on an idle note. Lewis and Peat reported a Malaysian godown price of 327 (326) cents a kg (buyer, April).

| No. 1 R.S.S. | Yest'rdays Close | Previous Close | Business Done |
|---|---|---|---|
| Apr. | 69.65-69.75 | 70.50-70.40 | 69.70-69.60 |
| May | 71.00-71.10 | 71.50-71.55 | 71.00 |
| Apr.-Jne | 70.85-71.00 | 71.50-71.85 | 71.75-70.80 |
| Jly.-Sept | 74.90-75.00 | 75.55-75.60 | 75.50-74.50 |
| Oct.-Dec | 78.30-78.40 | 78.85-78.90 | 79.15-78.00 |
| Jan.-Mar | 81.00-81.10 | 81.50-81.55 | 81.70-81.40 |
| Apr.-Jne | 83.60-85.70 | 84.10-84.20 | 85.70 |
| Jly.-Sept | 86.40-86.50 | 86.85-86.90 | 87.15 |
| Oct.-Dec | 89.20-89.35 | 89.70-89.90 | 89.50 |

Sales: 295 (484) at 15 tonnes, 17 (79) at 5 tonnes.

Physical closing prices (buyer) were: Spot 68.00p (68.50p); April 71.00p (71.75p); May 72.00p (73.00p).

## SUGAR

LONDON DAILY PRICE (raw sugar): £208.00 (£210.00) a tonne cif for March-April-May shipment. White sugar daily price was £221.00 (£224.00).

The market opened lower but quickly found support and thereafter remained very steady throughout the day. Renewed rumours that both China and Russia had purchased substantial quantities of prompt sugar was responsible for the improvement in prices with closing quotations some £10-£14 above the lows of the day, reports C. Czarnikow.

| Sugar Pref. Comm. Con. | Yest'rdays Close | Previous Close | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| March | 209.00-18.90 | 210.00-15.00 | 218.90 |
| May | 250.50-50.50 | 228.50-28.75 | 251.00-25.00 |
| Aug. | 244.50-44.75 | 240.00-40.50 | 244.75-35.00 |
| Oct. | 256.00-56.25 | 249.50-49.75 | 256.80-44.50 |

Sales: 7,671 (9,433) lots of 50 tonnes.

NUMBER 4 CONTRACT — Close (in order buyer, seller only). May 231.00, 232.00; Aug. 246.50, 248.00; Oct. 257.55, 258.25; Jan. 267.10, 270.00; March 281.00, 282.00; May 281.05, 285.00. Sales: 922 (1,321).

Tate and Lyle ex-refinery price for granulated basis white sugar was £321.7 (same) a tonne for home trade and £290.50 (£293.00) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for March 20. Daily price 18.73 (18.97); 15-day average 18.89 (18.97).

## SOYABEAN MEAL

The London market opened slightly easier in quiet conditions, reports T. G. Roddick. The market eased back on light trade selling but late in day firmed a little on short coverings.

| | Yest'rd'y Close | + or — | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| April | 112.10-12.4 | +0.05 | 112.50-12.00 |
| June | 110.90-11.0 | —0.50 | 111.40-11.00 |
| August | 113.00-13.1 | —0.55 | 113.50-12.80 |
| October | 110.90-11.0 | —0.40 | 111.40-10.90 |
| December | 113.00-14.0 | —0.60 | — |
| February | 116.00-18.0 | +0.25 | — |
| April | 118.00-21.0 | ...... | — |

Sales: 64 (61) lots of 100 tonnes.

## WOOL FUTURES

LONDON NEW ZEALAND CROSS-BREDS—Close (in order buyer, seller, business, sales). New Zealand cents per kilo. May 390, 399, nil, nil; Aug. 411, 415, 413, 1; Oct. 411, 415, nil, nil; Dec. 411, 416, nil, nil; Jan. 412, 417, nil, nil; March 420, 428, nil, nil; May 420, 428, nil, nil. Sales: 1.

SYDNEY GREASY—Close (in order: buyer, seller, business, sales). Micron Contract: Australian cents per pound. March nil, nil, 490.0-465.0, 30; May 492.0, 494.0, 504.9-490.0, 229; July 513.0, 514.5, 524.5-512.0, 1,038; Oct. 508.0, 510.0, 520.0-508.0, 217; Dec. 510.0, 512.0, 517.0-510.0, 260; March 513.0, 514.0, 521.0-514.0, 60; May 514.0, 514.0, 521.0-514.0, 15; July 514.0, 515.0, 519.0-514.0, 17. Sales: 1,870.

*

LIVERPOOL—Spot and shipment sales amounted to 65 tonnes, bringing the total for the week to 247 tonnes, the smallest this year, and against 906 tonnes in the previous week. High prices, levels again militated against activity and the uptake was slack. Interest centred on Middle Eastern growths.

## AMERICAN MARKETS

NEW YORK, March 20.

GOLD SOLD off sharply towards the close after major gains early in the day. Silver is still in a period of downward adjustment and copper also reacted on the downside. Profit-taking in sugar put the market on the defensive and became a factor also in cotton. Commission house buying and reports of delayed cargoes out of Brazil provided the strength in coffee. The cocoa market is labouring on reports of damage to the Brazilian mid-crop. Late selling in grains and soyabeans turned early gains into losses. The livestock complex finished lower, just ahead of the pig crop report, reported Heinold.

Cocoa—March 134.50 (134.00), May 137.50 (136.60), July 136.40, Sept. 137.00, Dec. 3045, March 3115, May ——, July ——. Sales: 706.

Coffee—"C" Contract: March 182.00 (181.00), May 190.25-190.50 (188.03), July 197.00-197.50, Sept. 201.25-201.50, Dec. 191.90-192.25, March 185.00-186.40, May 184.25-185.00, July 181.75-185.00. Sales: 5,600.

Copper—March 94.60 (96.60), April 94.90 (97.80), May 96.30-96.80, July 99.60-100.30, Sept. 102.00-102.70, Dec. 105.00-105.70, Jan. 106.20, March 108.10, May 110.10, July 112.10, Sept. 114.10, Dec. 117.10, Jan. 118.10. Sales: 4,500.

Cotton—No. 2: May 87.62 (85.62), July 85.30-85.80 (84.46), Oct. 80.50-80.60, Dec. 76.00-76.20, March 76.60, May 77.00-78.00, July 77.50-78.50, Sept. ——. Sales: 17,550.

*Gold—March 536.0 (550.0), April 536.0-540.0 (538.5), May 547.0, June 553.0-557.0, Aug. 573.0, Oct. 584.0-588.0, Dec. 605.0-606.5, Feb. 624.1, April 641.3, June 660.0, Aug. 675.7, Oct. 692.9, Dec. 710.1. Sales: 20,000.

Orange Juice — May 97.05-97.30 (96.80), July 98.30-98.40 (98.15), Sept. 100.10, Nov. 101.70-102.00, Jan. 103.00-103.50, March 103.60-104.00, May 104.35-104.75, July 104.85-105.25. Sales: 500.

Potatoes (round whites)—April 44.8 (45.8), May 52.1-52.5 (52.5), Nov. 73.5. Sales: 138.

*Platinum — March 621.0 (690.0), April 683.5 (693.5), May 668.5, July 695.0, Oct. 728.0, Jan. 761.0, April 796.0, May unquoted. Sales: 2,723.

¶Silver—March 2220.0-2240.0 (2055.0), April 2562.0 (2662.0), May 2605.0, July 2675.0, Sept. 2747.0, Dec. 2827.0, Jan. 2854.0, March 2908.0, May 2962.0, July 3016.0, Sept. 3070.0, Dec. 3140.0, Jan. 3164.0. Sales: 4,000. Handy and Harman bullion spot 2190.00 (1975.00).

Sugar—No. 11: May 19.80-19.95 (20.27), July 20.80-20.95 (21.02), Sept. 21.90, Oct. 22.50-22.60, Jan. 24.20, March 25.00-25.08, May 25.00, July 25.15. Sales: 16,850.

Tin—817.00-823.00 (808.00-820.00).

CHICAGO, March 20.

Lard—Chicago loose 19.50 (same), New York prime steam 21.00.

Live Cattle—April 67.45-67.52 (67.87), June 70.05-69.85 (70.07), Aug. 69.45-69.35, Oct. 68.25-68.30, Dec. 69.70, Jan. 69.70, Feb. 70.05-70.10.

Live Hogs — April 35.55-35.07 (36.57), June 39.80-39.50 (40.67), July 41.75-41.60, Aug. 41.50-41.37, Oct. 41.00-40.90, Dec. 43.95-44.00, Feb. 45.60, April 44.97, June 46.70.

‡‡Maize—261¾-262¼ (265¼), May 261¾-262¾ (273), July 283½-283¾, Sept. 293¾-294, Dec. 303-303¾, March 315½.

Pork Bellies — March 44.20-45.20 (45.20), May 45.15-45.35 (46.62), July 46.27-46.40, Aug. 45.10-45.25, Feb. 56.35, March 56.60, May 57.60, July ——, Aug. ——.

Silver—March 2210.0 (2150.0), April 2265.0-2230.0 (2170.0), June 2495.0, Aug. 2555.0, Oct. 2615.0, Dec. 2670.0, Feb. 2730.0, April 2785.0, June 2850.0, Aug. 2910.0, Oct. 2970.0, Dec. 3030.0, Feb. 3090.0, April 3150.0, June 3210.0, Aug. 3270.0.

†Soyabeans—March 616 (619), May 630-629 (636½), July 653-654, Aug. 664½, Sept. 675, Nov. 691-690½, Jan. 708, March 728.

‖Soyabean Meal—March 168.50-168.90 (189.00), May 173.30-173.50 (174.80), July 180.20-180.30, Aug. 183.50, Sept. 186.50, Oct. 190.00, Dec. 194.20, Jan. 196.00, March 201.50, May 206.40-206.50.

Soyabean Oil—March 22.15 (22.29), May 22.32-22.31 (22.57), July 22.92-22.91, Aug. 23.23, Sept. 23.50, Oct. 23.75-23.80, Dec. 24.15, Jan. 24.35-24.30, March 24.65-24.70, May 25.00-25.05.

†Wheat—March 413 (416½), May 422-423 (430), July 432-432½, Sept. 447½-447, Dec. 466½, March 482½.

WINNIPEG, March 20. §Barley—March 11.39 (113.60), May 116.00-116.20 (116.30), July 119.10-119.20, Oct. 115.70, Dec. 115.60.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 218.10 (219.90).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can per metric ton. §§ $ per 1,000 sq. feet. ‡ Cents per dozen.

## INDICES

### FINANCIAL TIMES

| Mar. 20 | Mar. 19 | M'nth ago | Year ago |
|---|---|---|---|
| 297.44 | 296.72 | 300.35 | 273.80 |

(Base: July 1, 1952=100)

### MOODY'S

| Mar. 20 | Mar. 19 | M'nth ago | Year ago |
|---|---|---|---|
| 1254.9 | 1207.2 | 1399.9 | 1068.5 |

(December 31, 1931=100)

### DOW JONES

| Dow Jones | Mar. 20 | Mar. 19 | Month ago | Year ago |
|---|---|---|---|---|
| Spot | 436.98 | 422.11 | 440.75 | 386.68 |
| F'tur's | 422.45 | 435.71 | 457.44 | 382.01 |

(Average 1924-25-26=100)

### REUTERS

| Mar. 31 | Mar. 20 | M'nth ago | Year ago |
|---|---|---|---|
| 1744.2 | 1748.4 | 1770.6 | 1573.0 |

(Base: September 18, 1931=100)

## MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on March 21. GB cattle 84.16p per kg lw (+2.29); UK sheep 168.9p per kg est dcw (+3.1); GB pigs 71.7p per kg lw (+1.3).

COVENT GARDEN—Prices in sterling per package except where otherwise stated: Imported Produce: Oranges—Spania: Navels 4.00-4.80;

# Stock Exchange dealings

| | |
|---|---|
| Thursday, March 20 | 20,919 |
| Wednesday, March 19 | 19,742 |
| Tuesday, March 18 | 22,361 |
| Monday, March 17 | 18,722 |
| Friday, March 14 | 17,420 |
| Thursday, March 13 | 18,460 |

The list below gives the prices at which bargains were done by members of the Stock Exchange and recorded in last Thursday's Stock Exchange Daily Official List. For those securities not marked in Thursday's List, we show the latest markings recorded during the previous four business days; these are distinguished by the dates shown in parentheses.

The number of dealings marked on Thursday in each section follows the name of the section. Unless otherwise denoted, shares are £1 fully paid and stock £100 fully paid.

Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 pm only, but later transactions can be included in the following day's Official List. The figures shown above, on the other hand, are the total number of bargains transacted in all securities up to 3.30 pm. No indication is available as to whether a bargain represents a sale or purchase. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ♣ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

## BRITISH FUNDS (637)

Var. Rate Treasy. stk. 1983 (16.0323pc) 93

3½pc War Loan 29⅞ ...

British Gas 3pcGtd.stk. 1990-95 44 3⅞ 4⅛ 3½

Irish Free State 4½pc Land Bds. 52ɸ

Free of Stamp 5pc 1977-82 83ɸ

N. Ireland 7pc Exchequer stk. 1982-84 73¼ɸ

3pc Redemption stk. 1986-96 42¼ɸ ¼ɸ 1¼ɸ

## INTERNATNL. BANK (1)

FREE OF STAMP DUTY

5pcStk. 77-82 83ɸ

## CORPORATIONS (14)

FREE OF STAMP DUTY

## PUBLIC BOARDS (13)

FREE OF STAMP DUTY

## COMMONWEALTH GOVTS. (12)

REGISTERED AND INSCRIBED STOCKS

## FOREIGN STOCKS (8)

COUPONS PAYABLE IN LONDON

## BANKS (107)

Ansbacher (Henry) Holdings (5p) 13¾ 14½ (17/3)

Arbuthnot Latham Holdings 213

Australia and New Zealand Banking Group ($A1) 210 8 (18/3)

Bank America Corporation Shs. of Com Stk ($US1.5625) 10½ (17/3)

Bank of Ireland Stk. 330ɸ 2 1

Bank of Montreal ($C2) 910pɸ. Sub. Warrants for 1.7 of 1 new Share ($C2) 1pm (19/3)

Bank of New South Wales (London Register) ($A1) 155ɸ 3 45ɸ

Bank of Scotland (Governor Co.) Stk. 240ɸ 3 38

Barclays Bank 410ɸ 12 13 10 7. 8¼pcLn. 62½

Barclays Bank I'national 7¾pcLn. 60 (19/3)

Brown Shipley Holdings 304 (19/3)

Can. Imperial Bank of Commerce ($C2) 890pɸ

Citicorp Shs. of Com. Stk. ($US4) 875p (17/3)

Clive Discount Holdings (20p) 41ɸ 2

Commercial Bank of Australia (Lon. Reg.) ($A1) 142ɸ

Gerrard National Discount Co. (25p) 194

Gibbs (Antony) Holdings (25p) 78 (19/3)

Gillett Bros. Discount 163ɸ

Grindlays Holdings (25p) 120 (17/3)

Guinness Peat Group (25p) 112ɸ 10 9

Hambros Shs. (25p) 307

Hill, Samuel Group (25p) 86 (19/3)

Hongkong Shanghai Banking Corp. ($HK2.50) 178ɸ 88 5 6

Jessel, Toynbee Co. (25p) 57 (17/3)

Keyser Ullmann Holdings (25p) 58

King Shaxson Ord. (20p) 64

Kleinwort, Benson, Lonsdale (25p) 136 (17/3). 5pcPf. 56 (19/3)

Lloyds Bank 278ɸ 8 7 80 75. 7¼pcLn. 83

Mercury Securities (25p) 165 (18/3)

Midland Bank 319 16 18 17 15 20. 10¼pcLn. 76¼ ½ (19/3). 7½pcLn. 69½ 8½ 7 9 7½ 8 (18/3)

Minster Assets (25p) 49½ 50

Morgan (J. P.) Co. Inc. Shs. of Com. Stk. ($US2.50) 19¼ (17/3)

National Bank of Australasia ($A1) 125 (17/3)

National Westminster Bank 314ɸ 12ɸ 11 12 8. 7pcPf. 49ɸ 50. 9pcUns.Ln. 65¾ (19/3)

Ottoman Bank 44½

Rea Brothers (25p) 78 (18/3)

Royal Bank of Canada ($C2) 16¾ (17/3)

Royal Bank of Scotland Grp. (25p) 82ɸ 80 1

Schroders 485‡ɸ. 8¼pcUns.Ln. 61ɸ

Smith, St. Aubyn and Co. (Hldgs.) (25p) 96

Standard Chartered Bank 478ɸ 87 80. 13½pcUns.Ln. 95 (19/3)

Union Discount Co. of London 370ɸ

## BREWERIES (133)

Allied Breweries (25p) 67¼ɸ 7ɸ ½ 8 7¾ 8 8½. New Ord. (25p) 69ɸ. 5½pcPf. 39 (19/3). 6¼pcDb. (1984-89) 59½ɸ. 7pcDb. 66½ (18/3). 5¼pcUns.Ln. 36 (14/3). 7¼pcUns.Ln. 53¼ ¼ɸ

Amalgamated Distilled Products (10p) 44 (17/3)

Bass (25p) 212ɸ 14 13. 4pcPf. 27 (19/3). 7pcPf. 47½ (19/3). 3¼pcDb. 39 (19/3). 8½pcDb. 61½. 4½pcUns.Ln. 36½ (19/3). 7¼pcUns.Ln. 54½ (19/3)

Bass Investments 6pcUns.Ln. 51½

Belhaven Brewery Grp. (25p) 27 5 (19/3)

Bell (Arthur) and Sons (50p) 164 (18/3)

Boddingtons Breweries (25p) 115 (19/3)

Brown (Matthew) (25p) 144 (14/3)

Buckley's Brewery (25p) 48ɸ

Bulmer (H. P.) Hldgs. (25p) 144 (17/3)

Burtonwood Brewery (Forshaws) (25p) 248 (19/3)

Cardiff Property (20p) 67 (18/3)

City of London Brewery and Investment Trust Dfd.Stk. (25p) 59ɸ

Clark (Matthew) and Sons (Hldgs.) (25p) 138 (14/3)

Courage 7pc2ndDb. 58 (14/3). 6¾pc Uns.Ln. 44¾ (18/3). 10½pcUns.Ln. 72½ 3 (18/3)

Davenports' Brewery (Hldgs.) (25p) 140 2 (19/3). 5pcPf. 33 (19/3)

Devenish (J. A.) (25p) 228 (17/3)

Distillers (50p) 201 200 198 9 7. 5½pc Uns.Ln. 34¾ɸ. 7¼pcUns.Ln. 56 7 (18/3). 10.5pcUns.Ln. 70¾ (17/3)

Greenall Whitley (25p) 178 81. 8pcPf. 78½ɸ 8‡. 8½pcUns.Ln. 51½ (18/3)

Greene King and Sons (25p) 170. New Ord. (25p) 166 (18/3)

Guinness (Arthur) Son (25p) 87. New Ord (25p) 89ɸ. 7¾pcUns.Ln. 53 (18/3)

Hardys and Hansons Irrd 4pcDeb. 27 (18/3)

Highland Distilleries (20p) 119

Intnl. Distillers and Vintners 8½pcLn. 64ɸ

Invergordon Distillers (Hldgs.) (25p) 218 (18/3)

Irish Distillers Grp. (25p) 76 (19/3)

Marston Thompson and Evershed (25p) 62 (17/3). New (25p) 62ɸ

Morland (25p) 98 (17/3)

## COMMERCIAL (1,978)

### A—B

### C—D

C.N. Indls. (10p) 19½

Cadbury Schweppes (25p) 62ɸ 4⅛ɸ 4ɸ 3. 9pcLn. 65¼ ¼ (14/3)

Cakebread Robey A (10p) 29½ɸ 31

Camford Engg. (10p) 70 (19/3)

Campari Intl. (20p) 60

Camrex (Hldgs.) (20p) 40 3 1

Canning Town Glass 12pcDb. 82½ (17/3)

Canning (W.) (25p) 48ɸ

Cantors (20p) 70 (14/3)

Cape Inds. (25p) 234 (14/3). 7¾pcDb.

### E—F

Fisons 273ɸ 4ɸ. 70ɸ

Fitch Lovell (20p) 72ɸ 4 2

Flexello Castors Wheels (25p) 58 (17/3)

Fobel Int. (10p) 30 29¾

Fodens (50p) 25 (19/3). A Ord. (25p) 26 (18/3)

Fogarty 10¾pcPf. 92¾ (14/3)

Ford Int. Cap. Corp. 6pcLn. 59 (18/3). 7¼pcLn. 68¾ ¼ (18/3)

Forward Technology Inds. (25p) 84ɸ 6ɸ 4

Foseco Minsep (25p) 149ɸ

Foster Bros. Clothing (25p) 82ɸ 78ɸ 80

Foster (John) Son (25p) 31¾ (18/3)

### G—H

### I—K

### L—M

### N—O—P

### Q—R—S

### T—U—V

### W—Y—Z

Williams (John) of Cardiff (25p) 31

Williams (W.) and Sons (Hldgs.) (25p) 30

Wilson Bros. (20p) 23½ɸ 4

Wimpey (George) (25p) 74

Wolseley Hughes (25p) 270ɸ 3

Wolstenholme Rink (25p) 129 30

Wombwell Foundry and Engineering (10p) 21 (17/3)

Wood Hall Tst. (25p) 102. 6½pcPrf. 59 (14/3)

Wood (S. W.) (20p) 43ɸ 2

Woodhead (Jones) and Sons (25p) 95 (18/3)

Woodhouse and Rixson (Hldgs.) (12½p) 13 (18/3)

Woolcombers (Hldgs.) 7½pcPrf. 48 (18/3)

Woolworth (F. W.) (25p) 66ɸ ½ 6 7

Wyatt (Woodrow) Hldgs. (5p) 20 (17/3)

## FINANCIAL TRUSTS (72)

## GAS (4)

## INSURANCE (105)

## INVESTMENT TRUSTS (105)

Raeburn Inv. Tst. (25p) 111½ (18/3)

River and Mercantile Tst. (25p) 189 90 (19/3)

River Plate and Gen. Inv. Tst. Dfd. (25p) 170 (19/3)

Robeco (Fl.50) 37½ (17/3). Reg. Nat.Prov. Bank (Fl.5) 362ɸ 30

Rolinco Reg. Nat.Prov. Bank (Fl.5) 305 9 10 8 (19/3)

Romney Tst. (25p) 77 (18/3). 4½pcLn. 80 1 (17/3)

Rothschild Inv. Tst. (50p) 294 (19/3)

St. Andrew Tst. (25p) 115 (17/3)

Save and Prosper Linked Inv. Tst. Income (10p) 169 (19/3). Capital (10p) 52½ (17/3)

Scottish American Inv. (50p) 94

Scottish Cities Inv. Tst. A (25p) 223 (17/3)

Scottish Eastern Inv. Tst. (25p) 57ɸ

Scottish European Inv. (25p) 35

# No rush to buy drinks

BY GARETH GRIFFITHS

DRINK SALES have shown only a modest increase at the start of the traditional pre-Budget buying spree. Most retailers reported increases of up to 10 per cent on sales, mainly whisky and gin.

Demand for wine and spirits has been sluggish for three months. Retailers tried to sell high stocks left at Christmas despite a late recovery.

Speculation about extent of wine and spirit duty increases has been widespread. Many companies over-ordered twice last year in anticipation of Government March and June measures. Duty increases failed to materialise.

Victoria Wines, with 932 branches, said it was too early to judge whether there would be a pre-Budget spending spree.

Mr Daniel Keough, its marketing director, said that if there was a rise in sales it would be on Tuesday and Wednesday.

Though most consumers believe that Value Added Tax is unlikely to be increased, electrical goods shops report steady demand with a slight sales increase.

● VAT on cocoa, chocolate and confectionery goods should be cut, the General and Municipal Workers' Union told the Chancellor. Mr Robert Smith, the union's national industrial officer, said in a letter that jobs were threatened because of the rate.





## ACTIVE STOCKS

### YESTERDAY—

| Stock | Denomination | No. of marks | Closing price (p) | Change on day | 1979-80 high | 1979-80 low |
|---|---|---|---|---|---|---|
| Shell Transport | 25p | 13 | 354 | – 6 | 410 | 278 |
| Ultramar | 25p | 11 | 498 | + 6 | 526 | 197 |
| Burmah Oil | £1 | 10 | 194 | – 3 | 249 | 82 |
| Beecham | 25p | 7 | 118 | – 3 | 189 | 114 |
| BP | 25p | 7 | 354 | – 6 | 414 | 220½ |
| Cons. Gold Fields | 25p | 7 | 490 | — | 617 | 178 |
| ICI | £1 | 7 | 368 | – 2 | 415 | 314 |
| Marks & Spencer | 25p | 7 | 88 | — | 134 | 76 |
| Midland Bank | £1 | 7 | 326 | + 6 | 455 | 314 |
| Racal Electronics | 25p | 7 | 213 | — | 276 | 168½ |
| RTZ | 25p | 7 | 345 | –22 | 492 | 226 |
| Unilever | 25p | 7 | 418 | – 6 | 680 | 418 |
| BAT Inds. | 25p | 6 | 230 | – 3 | 362 | 225 |
| Barclays Bank | £1 | 6 | 418 | + 3 | 514 | 380 |
| Prudential | 25p | 6 | 171 | – 1 | 193 | 134 |

### ON THE WEEK—

| Stock | Denomination | No. of marks | Closing price (p) | Change on week | 1979-80 high | 1979-80 low |
|---|---|---|---|---|---|---|
| Shell Transport | 25p | 60 | 354 | –16 | 410 | 278 |
| Premier Cons. | 5p | 55 | 61 | – 2 | 87 | 15½ |
| RTZ | 25p | 48 | 345 | –15 | 492 | 226 |
| BP | 25p | 46 | 354 | + 2 | 414 | 220½ |
| Burmah Oil | £1 | 46 | 194 | –11 | 249 | 82 |
| Ultramar | 25p | 46 | 498 | – 8 | 526 | 197 |
| Tricentrol | 25p | 40 | 282 | + 4 | 336 | 148 |
| Beecham | 25p | 35 | 118 | — | 189 | 114 |
| Cons. Gold Fields | 25p | 35 | 490 | +14 | 617 | 178 |
| GEC | 25p | 25 | 363 | – 5 | 456 | 311 |
| ICI | £1 | 35 | 368 | + 5 | 415 | 314 |
| BAT Inds. | 25p | 34 | 230 | – 5 | 362 | 225 |
| Turner & Newall | £1 | 34 | 99 | – 9 | 176 | 99 |
| BTR | 25p | 33 | 330 | + 1 | 347 | 319 |
| Racal Electronics | 25p | 33 | 213 | + 6 | 276 | 168½ |

هكذا من الأصل

UNIT TRUSTS (12)

MINES

Australian (21)

Miscellaneous (55)

Rhodesian (17)

South African (111)

Leslie Gold Mines (R0.65) 159
Libanon Gold Mining Co. (R1) US$20⊕
Loraine Gold Mines (R1) 290⊕ 88⊕ 300
Lydenburg Platinum (R0.12½) 135 26 (17/3)
Messina (Transvaal) Dvlpmt. Co. (R0.50) 181
Middle Witwatersrand (Western Areas) (R0.25) 348 (19/3)
New Witwatersrand Gold Exploration Co. (R0.50) 205 (19/3)
President Brand Gold Mining Co. (R0.50) US$31⅛⊕
President Steyn Gold Mining Co. (R0.50) US$34¼
Rand Mines Props. (R1) 185 (19/3)
Randfontein Ests. Gold Mining Co. Witwatersrand (R2) US$65
Rustenburg Platinum Hldgs. (R0.10) 207⊕ US$5.11 5 15

West African

Diamond (4)

OIL (247)

PROPERTY (67)

Laing (25p) 145 (14/3). Do. A 142
Land Investors (25p) 48 (18/3)
Land Secs. (50p) 287⊕ 90 87 4 6 9 8. 6¼pcDb. 75 (18/3). 8½pcLn. 58. 5½pc Ln. 213 (18/3). 10pcLn. 172 (17/3)
Law Land (20p) 65½
Lewis 4pcDb. 70½
London Provincial (10p) 315 16 (14/3)
London Shop (25p) 82 (17/3). 5½pcPf. 36½. 6½pcLn. 94 (17/3)
Lynton (20p) 155 (14/3)
MEPC (25p) 189. 4½pcPf. 29½ (17/3). 8pcLn. 54. 5pcLn. 138½⊕
Marler (25p) 44 (18/3)
Mountview (5p) 130 (18/3)
Muckow (25p) 173
Nolton (25p) 45 (14/3)
North British (25p) 123½
Peachey (25p) 125⊕ 7⊕ 5 6
Property Inv. (25p) 122
Property Secs. (50p) 168 7 (18/3)

RUBBER (23)

UK & COMMONWEALTH RAILWAYS

TEA (8)

TELEGRAPHS & TELEPHONES

CANALS & DOCKS

WATERWORKS (3)

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange.

MARCH 20

Central Pacific Minerals £19¼ 18½ 17¾ 18⅛ ¼ 18
Cluff Oil Australia Options 9⊕
Conzinc Riotinto 250⊕
Cultos Pacific Options 28 30
Endeavour Resources 17⊕ 20 ¼
Genting Highlands 108
Gold Mines of Kalgoorlie 195⊕ 210
Gulfstream Resources 215⊕ 16 40
Hartogen Energy 136⊕ 40
Highveld Steel 150⊕
ICI Australia 139⊕
Jardine Matheson 124¼ 30
Leichardt Expln. 305⊕ 10⊕ 298
Lennard Oil 76⊕
MIM Hldgs. 223
Matheson Inv. 7¾pc Conv. £85⊕
Metals Expln. 63
Mount Carrington 60 2
North Broken Hill 154⊕ 61 60
Offshore Oil 14¼
Oil Search 14½ 12⅝
Oilmin 80⊕ 2
Otter Expln. 89 2 80
Pacific Copper 178 80
Pacific Copper New 68⊕ 90 88
Palabora Mining 600⊕
Petrofina £78½
Rembrandt Group U.S.$5½ £2.50⅞
SASOL 160
Samantha Expln. 85 6 .1
Santos 295⊕ ¾
Scudder Duovest 420⊕
Seltrust A 170
Southern Pacific Pets. £6¼⊕ 7¼
Spargos 25
Swan Resources 47⊕ ½
Swire Pacific A 66⊕ 7
Teck Corp. B 515⊕
U.S. Steel 825⊕
Valiant Consd. 50
Woodside Burmah 98⊕ 102½ 1⅛ 100 97 102 98 104 5
Woodside Burmah New 26⊕ 30

MARCH 19

Australian Cons. Minerals 17
Batu Lintang Rubber 63½⊕

RULE 163 (2) (a)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

MARCH 20

MARCH 19

MARCH 18

MARCH 17

Ceylon and Indian Planters 222 20½
Channel Hotels and Props. 17
CIC Investment 15½
CIC Investment Ord 1p ¾ 21/32 5-16ths
Clairmace 18 16
Clyde Petroleum 360 58 7 5 3 2 50 49 8 7 5 3 40 30 25 20
Deltenne 11
Dollar Land 22
Douglas Gas Light 370
Edinburgh Secs. 149 40 39 8 131 30 29
Edinburgh Secs. New (Nil Paid) 24 18 16

Hall Brothers Steamship A 138
Ideal Menswear SpcPf. 10.8
Jersey New Waterworks 9½pcDeb. £78
Kellock 120
Kenmare Oil Exploration 81 80 78
London and Continental Advertising 20
Lontrim 37 38
Maddock 16 15
Manx Petroleum 48
Mapalagama Rubber 22
Nationwide Leisure 7½
New Court Natural Resources 37 6
North Sea Assets 100 102
Norton Villiers Triumph 2½

MARCH 14

RULE 163 (3)

Bargains marked for approved companies engaged solely in mineral exploration.

MARCH 20

Aran Energy 338
Berkeley Exploration and Production New 94 3 2 90

MARCH 19

MARCH 18

MARCH 17

MARCH 14

Berkeley Exploration and Production New (50p Paid) 93 2 1 90 89 8
CCP North Sea Assoc. 257
Cluff Oil New (Nil Paid) 18 15
Gas and Oil Acreage 390 85
Siebens Oil and Gas (UK) 625 11 10 585 80 75 70 60 55
Viking Oil 990 85 75

(By permission of the Stock Exchange Council)

## LOCAL AUTHORITY BOND TABLE

| Authority (telephone number in parentheses) | Annual gross interest | Interest payable | Minimum sum | Life of bond |
|---|---|---|---|---|
| | % | | £ | Year |
| Knowsley (051 548 6555) | 15⅝ | ½-year | 1,000 | 1 |
| Redbridge (01-478 3020) | 14⅞ | ½-year | 200 | 2-3 |
| Redbridge (01-478 3020) | 14¼ | ½-year | 200 | 5-6 |

## BUILDING SOCIETY RATES

| | Deposit rate % | Share accounts % | Sub'pn shares % | *Term shares % |
|---|---|---|---|---|
| Abbey National | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Aid to Thrift | 10.85 | 11.37 | — | — |
| Alliance | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Anglia Hastings and Thanet | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Bradford and Bingley | 10.25 | 10.50 | 11.75 | 11.25 one month's notice deposit |
| Bridgwater | 10.25 | 10.50 | 12.00 | 12.50 5 yrs., 12.00 4 yrs., 11.60 2½ yrs. |
| Bristol and West | 10.25 | 10.50 | 11.75 | — |
| Bristol Economic | 10.25 | 10.50 | 11.75 | 10.75 3 months |
| Britannia | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Burnley | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Cardiff | 10.50 | 11.50 | 12.50 | — |
| Catholic | 10.05 | 10.75 | 11.65 | — 10.95 over £5,000 |
| Chelsea | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.55 6 mths. |
| Cheltenham and Gloucester | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Cheltenham and Gloucester | — | 11.50 | — | — Premium shares including 1.00 bonus p.a. (£15,000 only) |
| Citizens Regency | 10.25 | 10.85 | 12.05 | 12.85 5 yrs., 12.35 4 yrs., 11.85 3 yrs. |
| City of London (The) | 10.50 | 10.80 | 11.80 | 11.85 3-yr. withdrbl. increment share |
| Coventry Economic | 10.25 | 10.50 | 11.75 | 12.00 4 yrs., 11.50 3 yrs., 11.25 3 mt nt |
| Coventry Provident | 10.25 | 10.50 | 12.50 | 12.00 4 yrs., 11.75 3 yrs., 11.25 2 yrs. |
| Derbyshire | 10.25 | 10.50 | 11.75 | 11.10 3 months' notice |
| Ealing and Acton | 10.25 | 11.00 | — | 11.65 2 years, £2,000 minimum |
| Gateway | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Greenwich | — | 10.75 | 12.00 | 12.75 5 yrs., 12.25 4 yrs., 11.75 3 yrs. |
| Guardian | 10.25 | 10.75 | — | 11.75 3 months, £1,000 minimum |
| Halifax | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Heart of England | 10.25 | 10.50 | 11.75 | 12.50 5 years, 11.00 3 months' notice |
| Hearts of Oak and Enfield | 10.25 | 10.75 | 12.25 | 12.00 4 yrs., 11.75 3 yrs., 11.50 2 yrs. |
| Hendon | 10.50 | 11.00 | — | 12.00 6 months, minimum £2,000 |
| Huddersfield and Bradford | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Lambeth | 10.25 | 10.75 | 12.00 | 12.50 5 yrs., withdrawals aft. 18 mths. |
| Leamington Spa | 10.35 | 10.60 | 14.19 | 12.55 5 yrs., 12.30 4 yrs., 11.90 3 yrs. |
| Leeds Permanent | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Leicester | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Liverpool | 10.25 | 10.50 | 11.95 | 12.50 5 years, minimum £1,000 |
| London Goldhawk | 10.25 | 10.75 | 12.00 | 11.75 3 yrs., 11.50 2 yrs., 11.25 1 yr. |
| Melton Mowbray | 10.35 | 10.60 | 11.75 | 12.10 4 yrs., 11.35 2 yrs. |
| Mornington | 10.75 | 11.25 | — | — |
| National Counties | 10.50 | 10.80 | 11.80 | 11.90 6 mth., 11.35 3 mth., min. £1,000 |
| Nationwide | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Newcastle Permanent | 10.25 | 10.50 | 11.80 | 12.50 4 yrs., 11.80 3 yrs., 11.50 2 yrs. |
| New Cross | 11.00 | 11.25 | — | — |
| Northern Rock | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Norwich | 10.25 | 10.50 | 12.00 | 11.50 3 yrs., 11.25 2 yrs., min. £500 |
| Paddington | 10.00 | 11.00 | 12.50 | 11.75 6 months, 11.50 3 months |
| Peckham Mutual | 10.50 | 11.25 | — | — |
| Portman | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 11.55 6 months' notice |
| Principality | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Property Owners | 10.25 | 11.00 | 12.25 | 11.55 3 months |
| Provincial | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Skipton | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Sussex County | 10.50 | 10.75 | 12.55 | 12.55 5 yrs., 12.15 4 yrs., 11.75 3 yrs. |
| Sussex Mutual | 10.50 | 10.85 | 12.50 | 11.25-13.10 all with special options |
| Town and Country | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |
| Walthamstow | 10.25 | 10.60 | 11.70 | 12.60 5 yrs., 11.6 6 mth. not. min. £500 |
| Wessex | 10.50 | 11.20 | — | 12.20 6 mths. not. WDL min. 3 yrs. |
| Woolwich | 10.25 | 10.50 | 11.75 | 12.50 5 yrs., 12.00 4 yrs., 11.50 3 yrs. |

* Rates normally variable in line with changes in ordinary share rates.

All these rates are after basic rate tax liability has been settled on behalf of the investor.

## UK MONEY MARKET

**Bank of England Minimum Lending rate 17 per cent (since November 15, 1979)**

The Treasury bill rate rose by 0.0939 per cent to 16.2071 per cent at yesterday's tender, and the minimum accepted bid was £95.96 against £95.98 the previous week. Bids at that level were met as to about 16 per cent and above in full. The £300m bills on offer attracted bids of £849.915m, and all bills offered were allotted. Next week a further £300m will be on offer, replacing a similar amount of maturities.

Day to day credit remained in very short supply in the London money market yesterday, and the authorities gave assistance on an exceptionally large scale. This comprised moderate purchases of Treasury bills from discount houses and banks, and a small number of corporation bills, also both ways, with some of the latter being for resale at fixed future dates. In addition the authorities bought a moderate amount of eligible bank bills, all of which are for resale at fixed future dates. The help was made up with moderate loans to five or six houses over the weekend at MLR.

In the market's favour banks brought forward balances a small way above target, but these were outweighed by the repayment of Thursday's large lending, and a moderate excess of revenue transfers over Government disbursements. There was also a small increase in the note circulation, and a small net take up of Treasury bills to finance.

## EXCHANGES AND BULLION

Trading in yesterday's foreign exchange market was quiet and generally featureless ahead of the weekend, with the dollar finishing at the top of the day's range, and sterling losing ground. The market was still closely influenced by interest rate movements, and in the absence of any further rises in U.S. prime rates, business remained at a low level.

Sterling opened at $2.1825 against the dollar and with the latter in small demand, the pound fell in very thin trading to a low of $2.1780. However interest was revived at these lower levels and it recovered to $2.1850 at noon before reaching a best level of $2.1940 during the afternoon. But in later trading it drifted away to close at $2.1790-2.1800, a fall of 1.85c.

On Bank of England figures, the pound's trade weighted index fell to 72.0 from 72.3, having stood at 72.1 at noon and 72.0 in the morning.

The dollar closed at DM1.8790 against the Deutche Mark, up from DM1.8655 on Thursday, and SwFr 1.7810 against the Swiss franc, compared with SwFr 1.7610. The yen was slightly weaker with the dollar closing at Y249 against Y248.5 previously. The dollar's trade weighted index rose from 88.9 to 89.3.

Gold lost $24 an ounce in the London bullion market to close at $526-532. This represented a fall of just $1 on the week, having traded as low as $467 and as high as $561 during that time.

## THE POUND SPOT AND FORWARD

| March 21 | Day's spread | Close | One month | % p.a. | Three months | % p.a. |
|---|---|---|---|---|---|---|
| U.S. | 2.1780-2.1940 | 2.1790-2.1800 | 0.20-0.30c dis | −1.38 | 0.47-0.57dis | −0.95 |
| Canada | 2.5730-2.5835 | 2.5740-2.5750 | 0.90-0.80c pm | 3.96 | 2.00-1.85 pm | 2.99 |
| Nethlnd. | 4.47-4.52 | 4.48-4.49 | 3½-2½c pm | 8.03 | 8¾-7¾ pm | 7.25 |
| Belgium | 66.05-66.80 | 66.10-66.20 | 5c pm-5 dis | — | par-10 dis | −0.30 |
| Denmark | 12.75-12.89 | 12.82-12.83 | 4⅞-5⅞ore dis | −4.79 | 9¾-12¾ dis | −3.41 |
| Ireland | 1.1005-1.1075 | 1.1015-1.1025 | 0.12-0.07p pm | 1.03 | 0.28-0.20 pm | 0.87 |
| W. Ger. | 4.08-4.12 | 4.09¾-4.10¾ | 3¾-2¾pf pm | 9.52 | 9⅛-8⅛ pm | 8.66 |
| Portugal | 109.10-109.70 | 109.25-109.45 | 5-35c dis | −2.19 | 5-90 dis | −1.74 |
| Spain | 151.40-152.90 | 152.25-152.35 | 80-105c dis | −6.50 | 195-270 dis | −6.11 |
| Italy | 1,896-1,914 | 1,904-1,905 | 1½-3½ lire dis | −1.57 | 7½-9½ dis | −1.84 |
| Norway | 11.05½-11.14½ | 11.06-11.07 | 4¾-2¾ore pm | 3.79 | 10-8½ pm | 3.34 |
| France | 9.51½-9.58½ | 9.52-9.53 | 3½-2½c pm | 3.78 | 9½-8½ pm | 3.78 |
| Sweden | 9.55-9.63 | 9.56-9.57 | 3½-2½ore pm | 3.76 | 11-10 pm | 4.39 |
| Japan | 540-548 | 542-543 | 1.60-1.40y pm | 3.32 | 4.20-3.80 pm | 2.96 |
| Austria | 29.25-29.45 | 29.27-29.32 | 20-15gro pm | 7.17 | 60-50 pm | 7.51 |
| Switz. | 3.88-3.90 | 3.88-3.89 | 4⅞-3⅞c pm | 13.51 | 11¼-10¼ pm | 11.07 |

Belgian rate is for convertible francs. Financial franc 68.50-68.60. Six-month forward dollar 0.80-0.90c dis, 12-month 0.55-0.65c dis.

## GOLD

| | Mar. 21 | | Mar. 20 | |
|---|---|---|---|---|
| **Gold Bullion (fine ounce)** | | | | |
| Close | $526-532 | (£241-244) | $550-556 | (£250-253) |
| Opening | $530-536 | (£243-246) | $550-556 | (£249½-252) |
| Morning fixing | $535 | (£244.941) | $561 | (£254.768) |
| Afternoon fixing | $525 | (£240.133) | $561 | (£254.842) |
| **Gold Coins** | | | | |
| Krugerrand | $546-551 | (£249½-252½) | $563-568 | (£256-259) |
| Mapleleaf | $530-540 | (£242½-247½) | $563-568 | (£256-259) |
| New Sovereigns | $134-136 | (£61¼-63¼) | $138-141 | (£62¾-64¾) |
| King Sovs | $150-155 | (£68½-70½) | $154-157 | (£70-72) |
| Victoria Sovs | $152-157 | (£69½-71½) | $154-157 | (£70-72) |
| French 20s | $129½-133½ | | $139-142 | |
| 50 pesos Mexico | $649-659 | | $673-680 | |
| 100 Cor. Austria | $515-525 | | $540-550 | |
| $20 Eagles | $660-670 | | $690-700 | |
| $10 Eagles | — | | — | |
| $5 Eagles | — | | — | |

## EXCHANGE CROSS RATES

| Mar. 21 | Pound Sterling | U.S. Dollar | Deutschem'k | Japan'se Yen | French Franc | Swiss Franc | Dutch Guild'r | Italian Lira | Canada Dollar | Belgian Franc |
|---|---|---|---|---|---|---|---|---|---|---|
| Pound Sterling | 1. | 2.180 | 4.098 | 542.5 | 9.525 | 3.885 | 4.485 | 1905. | 2.575 | 66.15 |
| U.S. Dollar | 0.459 | 1. | 1.880 | 248.9 | 4.370 | 1.783 | 2.058 | 8.738 | 1.181 | 30.35 |
| Deutschemark | 0.244 | 0.532 | 1. | 132.4 | 2.325 | 0.948 | 1.095 | 464.8 | 0.628 | 16.14 |
| Japanese Yen 1,000 | 1.843 | 4.018 | 7.553 | 1000. | 17.56 | 7.161 | 8.267 | 3511. | 4.746 | 121.9 |
| French Franc 10 | 1.050 | 2.288 | 4.302 | 569.6 | 10. | 4.079 | 4.709 | 1999. | 2.703 | 69.45 |
| Swiss Franc | 0.257 | 0.561 | 1.055 | 139.6 | 2.452 | 1. | 1.154 | 490.2 | 0.663 | 17.03 |
| Dutch Guilder | 0.223 | 0.486 | 0.914 | 121.0 | 2.124 | 0.866 | 1. | 424.6 | 0.574 | 14.75 |
| Italian Lira, 1,000 | 0.525 | 1.144 | 2.151 | 284.9 | 5.001 | 2.040 | 2.355 | 1000. | 1.352 | 34.73 |
| Canadian Dollar | 0.388 | 0.847 | 1.592 | 210.7 | 3.700 | 1.509 | 1.742 | 739.8 | 1. | 25.69 |
| Belgian Franc 100 | 1.512 | 3.295 | 6.194 | 820.1 | 14.40 | 5.875 | 6.780 | 2879. | 3.892 | 100. |

## LONDON MONEY RATES

| Mar. 21 1980 | Sterling Certificate of deposit | Interbank | Local Authority deposits | Local Auth. negotiable bonds | Finance House Deposits | Company Deposits | Discount market deposits | Treasury Bills ⊕ | Eligible Bank Bills ⊕ | Fine Trade Bills ⊕ |
|---|---|---|---|---|---|---|---|---|---|---|
| Overnight | — | 15-18 | — | — | — | 17¼-17½ | 16-17 | — | — | — |
| 2 days notice | — | — | 17¾-18 | — | — | — | — | — | — | — |
| 7 days or | — | — | — | — | — | — | — | — | — | — |
| 7 days notice | — | 17½-17⅝ | 17⅞-18⅛ | — | 18⅛ | 17⅞-18 | 16¾-16⅞ | — | — | — |
| One month | 17⅞-17¾ | 17⅝-17⅞ | 18⅛-18¼ | 18⅞-18½ | 18⅛ | 18⅛-18¼ | 16¾ | 16 1/32-16 1/16 | 17¾-17 13/16 | 18¼ |
| Two months | 17⅞-17¾ | 17 11/16-17 13/16 | — | 19-18½ | 18¼ | — | 16⅝ | 16⅛-16 3/16 | 17⅝ | 18⅛ |
| Three months | 17⅞-17¾ | 17 11/16-17 13/16 | 18½-18⅝ | 18¾-18¼ | 18⅜ | 18¼-18⅜ | 16½-16⅝ | 16 3/32-16 5/32 | 17½ | 17¾ |
| Six months | 17 5/16-17 7/16 | 17½-17⅝ | 18¼-18⅜ | 18-17½ | 18 | 18¼ | — | — | 16½ | 16⅞ |
| Nine months | 16⅞-16¾ | 17-17½ | — | 17¾-17⅜ | 17¼ | — | — | — | — | — |
| One Year | 16⅝-16½ | 16 5/16-16 7/16 | 17¾-18½ | 17⅜-17 | 17¼ | 18 | — | — | — | — |
| Two years | — | — | 16⅞-17½ | — | — | — | — | — | — | — |

Local authorities and finance houses seven days' notice, others seven days fixed. *Long-term local authority mortgage rate nominally three years 16-16⅛ per cent; four years 16-16⅛ per cent; five years 15⅞-16⅛ per cent. ⊕Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 17 9/32-17¼ per cent; four-month trade bills 17¾ per cent.

Approximate selling rates for one-month Treasury bills 15 31/32-16 per cent; two-months 16 3/32 per cent; three-months 16 3/32-16 1/32 per cent. Approximate selling rates for one-month bank bills 17⅝-17 11/16 per cent; two-months 17½ per cent; three-months 17⅜ per cent; one-month trade bills 18 per cent; two-months 17⅞ per cent; and three-months 17½ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 18 per cent from March 1, 1978. Clearing Bank Deposit Rates for sums at seven days' notice 15 per cent. Clearing Bank Rates for lending 17 per cent. Treasury Bills: Average tender rates of discount 16.2071 per cent.

## CURRENCY MOVEMENTS

| Mar. 21 | Bank of England Index | Morgan Guaranty Changes % |
|---|---|---|
| Sterling | 72.0 | −33.3 |
| U.S. dollar | 89.3 | −4.5 |
| Canadian dollar | 81.1 | −17.4 |
| Austrian schilling | 153.3 | +23.5 |
| Belgian franc | 113.7 | +12.8 |
| Danish kroner | 105.5 | −5.1 |
| Deutsche mark | 153.2 | +43.9 |
| Swiss franc | 190.5 | +74.1 |
| Guilder | 124.9 | +19.5 |
| French franc | 99.9 | −6.3 |
| Lira | 53.5 | −50.8 |
| Yen | 116.4 | +15.2 |

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

## EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one-month 17.80-17.90 per cent; three-months 18.80-18.90 per cent; six months 18.80-18.90 per cent; one year 17.20-17.30 per cent.

| Mar. 21 | Sterling | U.S. Dollar | Canadian Dollar | Dutch Guilder | Swiss Franc | West German Mark | French Franc | Italian Lira | Asian $ | Japanese Yen |
|---|---|---|---|---|---|---|---|---|---|---|
| †Short term | 17-17¼ | 16-16¼ | 8½-9½ | 2¾-3¼ | ⅞-1⅛ | 7 7/16-7 11/16 | 12¾-13 | 12-14 | — | 12-12½ |
| 7 days' notice | 17⅛-17⅜ | 16⅝-16⅞ | 8½-9½ | 6-6½ | 5-5¼ | 8-8⅛ | 12⅞-13½ | 15¼-17¼ | 16¼-16½ | 13¾-13⅞ |
| Month | 17⅝-17⅞ | 18 15/16-19 1/16 | 13¼-13⅝ | 9 3/16-9 5/16 | 4⅛-4¼ | 8¼-8⅜ | 13⅜-13⅝ | 18½-19½ | 18 5/16-18 7/16 | 14⅛-14 5/16 |
| Three months | 18-18¼ | 18⅞-19⅛ | 14½-14⅞ | 10½-10⅝ | 6¼-6⅝ | 9 1/16-9 5/16 | 14-14¼ | 19¼-20 | 18⅞-19 | 14⅝-14⅞ |
| Six months | 18 5/16-18 7/16 | 18⅞-19⅛ | 14¼-14½ | 11⅛-11⅜ | 6⅞-7 | 9½-9⅝ | 14½-14¾ | 19¾-20¾ | 18⅞-19 | 14½-14⅝ |
| One year | 17⅛-17⅜ | 17½-17¾ | 14¾-15⅛ | 12-12⅛ | 6⅝-6¾ | 9¾-9⅞ | 15-15¼ | 21-23 | 17⅜-17½ | 13⅛-13¼ |

Long-term Eurodollar two years 15⅞-16⅛ per cent; three years 15½-15¾ per cent; four years 15¼-15½ per cent; five years 14⅞-15⅛ per cent; nominal closing rates. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen; others two days' notice. Asian rates are closing rates in Singapore.

## EMS EUROPEAN CURRENCY UNIT RATES

| | ECU central rates | Currency amounts against ECU March 21 | % change from central rate | % change adjusted for divergence | Divergence limit % |
|---|---|---|---|---|---|
| Belgian Franc | 39.7897 | 40.6394 | +2.14 | +1.34 | ±1.53 |
| Danish Krone | 7.72336 | 7.86143 | +1.79 | +0.99 | ±1.64 |
| German D-Mark | 2.48208 | 2.51314 | +1.25 | +0.45 | ±1.125 |
| French Franc | 5.84700 | 5.84502 | −0.03 | −0.83 | ±1.3657 |
| Dutch Guilder | 2.74362 | 2.75374 | +0.37 | −0.43 | ±1.512 |
| Irish Punt | 0.668201 | 0.676560 | +1.25 | +0.45 | ±1.668 |
| Italian Lira | 1157.79 | 1169.88 | +1.04 | +0.75 | ±4.08 |

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

## OTHER CURRENCIES

| Mar. 21 | £ | $ | | £ Note Rates |
|---|---|---|---|---|
| Argentina Peso | 3770-3790 | 1730-1740 | Austria | 29.05-29.35 |
| Australia Dollar | 2.0055-2.0095 | 0.9195-0.9205 | Belgium | 68.50-68.80 |
| Brazil Cruzeiro | 101.40-102.40 | 46.50-47.00 | Denmark | 12.78-12.88 |
| Finland Markka | 8.52-8.53½ | 3.9030-3.9050 | France | 9.49-9.55 |
| Greek Drachma | 88.109-90.193 | 40.20-40.35 | Germany | 4.08-4.10½ |
| Hong Kong Dollar | 11.01½-11.03½ | 5.0500-5.0550 | Italy | 1880-1965 |
| Iran Rial | n/a | n/a | Japan | 544-549 |
| Kuwait Dinar (KD) | 0.597-0.607 | 0.2760-0.2761 | Netherlands | 4.47-4.49½ |
| Luxembourg Frc. | 66.10-66.20 | 30.34-30.36 | Norway | 11.06-11.14 |
| Malaysia Dollar | 4.8775-4.8875 | 2.2355-2.2375 | Portugal | 106-109½ |
| New Zealand Dlr. | 2.2955-2.3005 | 1.0525-1.0540 | Spain | 148¼-156 |
| Saudi Arab. Riyal | 7.23-7.33 | 3.3400-3.3450 | Sweden | 9.58-9.64 |
| Singapore Dollar | 4.8550-4.8650 | 2.2250-2.2270 | Switzerland | 3.86½-3.88½ |
| Sth. African Rand | 1.7630-1.7640 | 0.8090-0.8095 | United States | 2.183-2.191 |
| U.A.E. Dirham | 8.09-8.19 | 3.7350-3.7380 | Yugoslavia | 48¾-51½ |

Rate given for Argentina is free rate.

## U.K. CONVERTIBLE STOCKS 21/3/80

Statistics provided by dataSTREAM International

| Name and description | Size (£m) | Current price | Terms* | Conversion dates | Flat yield | Red. yield | Premium† Current | Premium† Range‡ | Income Equ.§ | Income Conv.¶ | Income Diff.♡ | Cheap(+) Dear(−)◇ Current |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Bank of Ireland 10pc Cv. 91-96 | 1.20 | 153.00 | 47.6 | 77-81 | 6.7 | 4.4 | −13.9 | −15 to −8 | 0.0 | 14.1 | 8.0 | +21.8 |
| British Land 12pc Cv. 2002 | 7.71 | 236.00 | 333.3 | 80-97 | 5.2 | 3.5 | 5.7 | − 4 to 6 | 0.0 | 92.8 | 41.5 | +35.9 |
| Hanson Trust 6½pc Cv. 88-93 | 3.38 | 81.00 | 57.1 | 76-81 | 8.4 | 9.4 | − 0.9 | − 7 to 2 | 6.1 | 6.3 | 0.2 | + 1.1 |
| Slough Estates 10pc Cv. 87-90 | 5.50 | 218.00 | 187.5 | 78-88 | 4.6 | | 1.1 | − 6 to 1 | 37.0 | 43.4 | 3.0 | + 1.9 |
| Slough Estates 8pc Cv. 91-94 | 24.88 | 106.00 | 78.0 | 80-91 | 7.7 | 7.4 | 18.2 | 15 to 28 | 25.9 | 50.1 | 27.0 | + 8.8 |
| Ultramar 7pc net R.Cv.Pfd. | 12.59 | 2.44 | 0.5 | 76-81 | 4.1 | | − 5.8 | − 7 to 0 | 18.5 | 9.3 | − 3.5 | + 2.2 |
| Wilkinson Match 10pc Cv. 84-98 | 11.10 | 72.00 | 40.0 | 76-83 | 14.3 | 14.8 | 33.3 | 18 to 35 | 20.5 | 28.8 | 15.3 | −18.0 |

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness.

# Markets subdued awaiting Wednesday's Budget and equity index closes 3.3 down at 429.9—Golds easier

**Account Dealing Dates**
**Options**

| *First Dealings | Declarations | Last Dealings | Account Day |
|---|---|---|---|
| Mar. 10 | Mar. 20 | Mar. 21 | Mar. 31 |
| Mar. 24 | Apr. 10 | Apr. 11 | Apr. 21 |
| Apr. 14 | Apr. 24 | Apr. 25 | May 6 |

* "New time" dealings may take place from 9 a.m. two business days earlier.

Apathy continued to prevail throughout the two main investment sections of stock markets ahead of next Wednesday's Budget and the last day of the trading Account drew to a colourless close. Interest in South African Gold shares, which had provided one of the few areas of activity over the past few sessions, faded as prices *turned easier in line with the* bullion price reaction. Losses, however, were fairly modest and the Gold mines index, at 306.4, gave up only 8.6 of the 59.5 rise recorded over the two previous days. Australian mining and exploration issues, on the other hand, weakened on considerable end-Account selling.

Consideration of the Bank of England and Treasury documents on monetary reform failed to revive interest. As a result, both equities and Gilt-edged securities drifted lower. Apart from end-Account offerings of loose stock, selling was extremely light but sufficient to cause the FT 30-share index to fall 3.3 to 429.9; this extended the loss on the Account to 25.8.

Although Oil shares trended easier, the sector remained calm and now appears to have overcome its recent anxieties about possible repercussions concerning settlement of recent heavy speculative losses in secondary issues. Few features emerged overall in equities, except for those generated by news of the agreed offer for Status Discount by MFI and Guthrie's bid for City and International Trust.

A dull tone throughout British Funds reflected not only a lack *of investment demand but also* the feeling that if the Chancellor's Budget proposals on Wednesday are not helpful to the market then pressure for the authorities to reduce their prices for supplies of either tap stocks would increase. The short tap, Exchequer 13¼ per cent 1983, lost $\frac{3}{16}$ to its lowest yet of 94¾, compared with the minimum tender price two months ago of 96¾, while the long tap, Treasury 14 per cent 1996 (£50-paid) eased $\frac{1}{16}$ to 49$\frac{7}{16}$.

Demand for Traded options contracted further and with 10 of the 16 stocks in issue recording no trades at all, the total amounted to only 315 contracts. The week's daily average was 388, the lowest so far this year.

## Antony Gibbs up

With the exception of NatWest, which cheapened 4 to 308p, the major clearing banks ended the Account on a quietly firm note. Comment on the satisfactory results and proposed 20 per cent scrip-issue left Barclays a few pence better at 418p, while Lloyds, 286p, and Midland, 326p, rose 6 apiece. Elsewhere, buying on hopes of a development in the Hongkong and Shanghai bid approach during the next Account prompted a rise of 5 to 82p in Antony Gibbs.

*Profit-taking in the wake of* the better-than-expected results coupled with fears that Marsh and McLennan's bid may be referred to the Monopolies Commission brought a reaction of 6 to 126p in C. T. Bowring. Elsewhere among irregular Lloyd's Brokers, Alexander Howden eased a penny to 109p *ahead of next Thursday's preliminary figures,* while Willis Faber gave up 4 at 246p; the full-year figures of the latter are due on April 2. C. E. Heath, on the other hand, found support and closed 4 to the good at 201p, after 203p, while Stenhouse added a similar amount at 76p.

Small buying for the new-Account left the Brewery leaders a shade harder. Bass added a penny to 217p. Boddingtons eased a couple of pence to 115p on further reflection of the annual results and capital proposals, while among Wines and Spirits, Tomatin, dull recently following the disappointing figures, firmed a penny to 182p but still retained a week's loss of 12.

Business in recently-active Timber shares quietened considerably. Montague L. Meyer, at 114p, shed 4 of the previous day's speculative gain of 10, while International eased 2 to 110p. Magnet and Southerns and Mallinson-Denny, however, held their respective overnight levels of 172p and 64p, but James Latham gave up 5 at 140p. Elsewhere in Buildings, Brown and Jackson slipped to 140p before settling 5 cheaper on balance at 145p, while *small* selling clipped 3 from Fairclough Construction to 63p and a couple of pence from Comben at 29p. Vibroplant declined 12 to 283p in a thin market. Cements were *indecisive* with *Cement Roadstone* 2 better at 81p and Rugby Portland the turn harder at 66p, but Aberthaw, 3 cehaper at 142p.

## B. & Q. Retail good

ICI eased to 364p on lack of support before picking up late to close a couple of pence cheaper on balance at 368p. Fisons were neglected and eased 3 to 270p, but Laporte attracted small demand and hardened a penny to 100p. Among other Chemicals, Dixor-Strand continued to respond to the proposed £0.5m cash injection and ended 4 up for a two-day gain of 8 at 25p in a limited market. Lack of interest left Hickson and Welch 5 off at 163p and Allied Colloids 2 easier at 105p.

Leading Stores traded quietly on the last day of the Account with the emphasis towards lower levels reflecting apprehension ahead of next Wednesday's Budget. British Home gave up 5 to 262p, while Gussies A, 382p, and Mothercare, 216p, declined 4 apiece. Elsewhere, dealings *were resumed in* Status Discount following the expected agreed bid from MFI Furniture and the close was 72p, a few pence higher than the suspension level. This development excited the market in another D-I-Y concern B. and Q. Retail which improved steadily on speculative support to finish 6 better at 80p. Bakers Household rose 4 to 109p after Press comment and Arthur Henriques hardened a penny to 42p in response to the sharply higher profits and proposed *100* per cent scrip-issue. In Shoes, still reflecting the disappointing interim results, Strong and Fisher softened 2 further to 63p.

Electricals maintained an irregular appearance with most leaders closing easier. GEC fell 4 to 363p, while further consideration of the profits setback cliped another 5 from Philips' Lamps, 385p. Pressac, 37p, reclipped another 5 from Philips' 7 which stemmed from the halved interim profits and, following satisfactory profits plus the company's dividend intentions, Pifco gained 6 to 131p, with the A a similar amount better at 128p. Press mention lifted Eurotherm 5 to 305p, while support was again apparent for Unitech, 8 dearer at 283p. Muirhead on the *other* hand, ran into profit-taking after adverse Press comment and shed *12 at 190p. Falls of around 8* were recorded by Henry Wigfall, 225p, and Automated Security, 230p.

Williams and James plummeted 45 to 140p in Engineerings following news of the 42 per cent contraction in annual earnings. W. A. Tyzack fell 3 to 22p in reaction to the interim profits setback, while Danks Gowerton came on offer at 28p, down 5. Similar falls were recorded in Martonair, 195p, and Porter Chadburn, 56p, while United Engineering declined 4 to 114p. Profit-taking in the wake of the good first-half figures and proposed 20 per cnet scrip-issue caused Wolseley Hughes at 288p, to lose 4 of the previous day's gain of 24.

Leading Foods closed with narrow mixed movements following a reduced business. Elsewhere, Associated Fisheries attracted fresh speculative support on a revival of vague bid rumours and put on 3 for a two-day gain of 6 to 66p. Lockwoods picked up 5, also to 66p, while Jamesons Chocolates responded to the preliminary results with a gain of a couple of pence to 58p. By way of contrast, Hillards and William Morrison shed 3 apiece to 155p and 138p respectively on lack of support: the latter's annual results are due April 3.

In Hotels and Caterers, Ladbroke touched a new 1979-80 low of 124p before settling a net 2 cheaper at 125p.

## Howard Tenens down

The volume of business in the miscellaneous industrial sector waned considerably. Features, therefore, were a lot harder to find but Carlton Industries stood out with a rise of 10 to 290p in response to the near 60 per cent increase in preliminary profits. News that an all-British group of civil engineering contractors have joined the bidding for the "chunnel" project buoyed Channel Tunnel which improved *10 more making a rise of 65 on* the week to 200p. Reflecting its North Sea-oil interests, Cawoods rose 5 to 158p, while end-Account profit-taking in the absence of fresh bid developments clipped 5 *from* Howard Tenens at 70p. The leaders drifted quietly lower ahead of the Budget with closing falls ranging to 6. Unilever lost that much to 418p and Reckitt and Colman eased a couple of pence to 180p; the latter's preliminary results are due on *Tuesday.*

Revived bid speculation lifted Fodens 5 to 31p. Rolls-Royce, a rumoured suitor, firmed a penny to 57p aided by the chairman's annual review. ERF attracted support and touched 97p before settling a net 2 up at 94p. Distributors were often subdued but British Car Auction added 2½ more to 70½p awaiting Monday's interim results. Among Components, Automotive Products were again aided by the recent automatic transmission development and closed 4 higher for a gain on the week of 12 to 70p. Lucas, interim results due next Thursday, shed a couple of pence to 223p.

Among Paper/Printings, support was forthcoming for James Cropper, 6 up at 118p, and for Eucalyptus Pulp, 5 better at 98p. Elsewhere, Mills and Allen fell 5 more to 301p, still reflecting the interim results.

Leading Properties gave modest ground for want of attention. Land Securities and MEPC eased 3 apiece to 285p and 188p respectively, while scattered offerings clipped 4 from *Haslemere Estates at 290p.* Slough Estates, 114p, and Stock Conversion, 352p, both cheapened a couple of pence but London Shop Property firmed 2 to 84p in response to the increased half-yearly revenue. Hartley Industrial Trust lost that much to 34p following the annual results.

The recent rally in Oils was halted as enthusiasm waned. Closing quotations, however, were usually above the worst following a firmer opening trend on Wall Street last night. BP and Shell both finished 6 cheaper at the common price of 354p. Elsewhere, Tricentrol, at 282p, gave up all of the previous day's gain of 8 stemming from the good preliminary results and bullish statement on U.S. expansion. Lasmo, annual results due next Tuesday, slipped to 450p before closing a net 3 higher at 455p, but Ultramar improved 6 to 498p, after 490p, and Siebens *UK rallied 15 to 525p, after 490p.*

City and International Investment Trust, suspended briefly during the session, closed 5 better at 131p following the offer terms from Guthrie, 5 better at 805p.

## Golds easier

*Mining* markets ended the week on a flat note as end-Account selling coupled with a downturn in the bullion price encouraged widespread losses throughout the section.

The renewed weakness of the bullion market brought an end to the two-day rally in Golds. Share prices drifted in idle trading for most of the day although modest support was noted at the lower levels.

This support was insufficient to prevent an 8.6 decline in the Gold Mines index which ended the week 19.9 higher at 306.4. Gold dropped $24 to $529 an ounce, $1 easier over the five-day period.

Durban Deep moved against the general trend and hardened ⅛ to £12¼ reflecting the chairman's remarks that the mine will remain profitable for many years given an average gold price of $373 this year and increases after that at a rate equal to rises in working costs.

London-registered financials were featured by Rio Tinto-Zinc which dropped 22 to 345p, after 340p, reflecting a fresh fall in copper. Charter gave up 5 to 150p. Gold Fields rallied from 483p to close unaltered on balance at 490p.

The mid-week recovery in Australians ran out of steam. Among *the leading issues* Conzinc Riotinto fell 16 to 242p, MIM Holdings 12 to 210p and Western Mining 10 to 198p. The Rundle oil-shale twins showed Central Pacific a point cheaper at £17½ and Southern Pacific 100 off at 637p.

End-account selling left speculatives showing heavy losses. Falls ranging from 10 to 14 were seen in Lennard Oil, 78p, Otter Exploration, 70p, and Samantha, 78p. Leichardt encountered sizeable selling pressure and dropped 35 to 255p leaving them 15 up on the week.

Tins were neglected with the notable exception of South Crofty which eased 3 to a 1979-1980 low of 32p; since Tuesday miners have *refused* to go underground following claims of high levels of Radon gas in parts of the mine.

## LONDON TRADED OPTIONS

| Option | Ex'rcise price | April Closing offer | April Vol. | July Closing offer | July Vol. | Oct. Closing offer | Oct. Vol. | Equity close |
|---|---|---|---|---|---|---|---|---|
| BP | 300 | 46 | 5 | — | — | — | — | 351p |
| BP | 325 | 24 | 1 | — | — | — | — | " |
| BP | 330 | — | — | 40 | — | 53 | 6 | " |
| BP | 350 | 12 | 30 | — | — | — | — | " |
| BP | 390 | — | — | 16 | 23 | 28 | — | " |
| Cons. Gold | 420 | 74 | 1 | 102 | — | — | — | 485p |
| Cons. Gold | 460 | 42 | 3 | 70 | 25 | 84 | 1 | " |
| Cons. Gold | 500 | 22 | 40 | 42 | 20 | 58 | — | " |
| Cons. Gold | 550 | 5 | 40 | 24 | — | 32 | 10 | " |
| ICI | 390 | 4 | 9 | 21 | — | 34 | — | 365p |
| Marks & Sp. | 90 | 4 | — | 7 | 7 | 12 | — | 87p |
| Shell | 360 | 7 | 25 | 22 | 41 | 32 | — | 352p |
| Shell | 390 | 4 | 14 | 11 | 10 | 20 | — | " |
| Totals | | | 168 | | 126 | | 17 | |
| | | May | | August | | November | | |
| Racal Elec. | 180 | 37 | 4 | 44 | — | — | — | 212p |
| Total | | | 4 | | — | | — | |

## FINANCIAL TIMES STOCK INDICES

| | Mar. 21 | Mar. 20 | Mar. 19 | Mar. 18 | Mar. 17 | Mar. 14 | A year ago |
|---|---|---|---|---|---|---|---|
| Government Secs. | 64.10 | 64.34 | 64.40 | 64.16 | 64.15 | 64.22 | 73.06 |
| Fixed Interest | 64.76 | 64.79 | 64.79 | 64.73 | 64.75 | 64.80 | 73.73 |
| Industrial | 429.9 | 433.2 | 432.0 | 431.7 | 435.2 | 439.9 | 534.5 |
| Gold Mines | 306.4 | 315.0 | 294.3 | 265.5 | 271.3 | 286.5 | 161.7 |
| Ord. Div. Yield | 7.99 | 7.93 | 7.90 | 7.93 | 7.92 | 7.79 | 5.36 |
| Earnings, Yld. % (full) | 19.88 | 19.75 | 20.34 | 20.43 | 20.39 | 20.07 | 14.20 |
| P/E Ratio (net) (*) | 6.13 | 6.18 | 5.97 | 5.94 | 5.96 | 6.05 | 8.97 |
| Total bargains | 21,317 | 20,919 | 19,742 | 22,361 | 18,722 | 17,420 | — |
| Equity turnover £m | — | 87.12 | 87.75 | 111.29 | 79.35 | 95.00 | 229.83 |
| Equity bargains total | — | 15,919 | 14,924 | 17,900 | 13,321 | 12,846 | 32,500 |

10 am 431.0. 11 am 432.4. Noon 429.9. 1 pm 428.9.
2 pm 428.5. 3 pm 428.3.

Latest Index 01-246 8026.

*Nil=5.88.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

## HIGHS AND LOWS

| | 1979/80 High | 1979/80 Low | Since Compilat'n High | Since Compilat'n Low |
|---|---|---|---|---|
| Govt. Secs. | 75.91 (4/5) | 63.30 (10/12) | 127.4 (9/1/35) | 49.18 (3/1/75) |
| Fixed Int. | 77.76 (5/5) | 64.06 (19/11) | 150.4 (28/11/47) | 50.53 (3/1/75) |
| Ind. Ord. | 558.6 (4/5) | 406.3 (15/11) | 558.6 (4/5/79) | 49.4 (26/6/40) |
| Gold Mines | 377.9 (29/2/80) | 129.9 (17/4) | 442.3 (22/5/57) | 43.5 (26/10/71) |

## S.E. ACTIVITY

| | Mar. 21 | Mar. 20 |
|---|---|---|
| —Daily | | |
| Gilt Edged | 113.9 | 137.2 |
| Industrials | 120.2 | 124.0 |
| Speculative | 48.6 | 57.8 |
| Totals | 83.2 | 86.4 |
| 5-d'y A'vr'ge | | |
| Gilt Edged | 126.7 | 128.0 |
| Industrials | 123.8 | 123.8 |
| Speculative | 54.0 | 55.6 |
| Totals | 87.1 | 88.4 |

Currently showing on a 1979-80 basis, highs and lows in our Share Information Service and associated tables will be changed to current year, 1980, figures from our issue of next Tuesday, March 25.

## RISES AND FALLS

| | Yesterday Up | Yesterday Down | Yesterday Same | On the week Up | On the week Down | On the week Same |
|---|---|---|---|---|---|---|
| British Funds | 2 | 80 | 8 | 121 | 160 | 169 |
| Corpns. Dom. & Foreign Bonds | 1 | 2 | 63 | 21 | 17 | 292 |
| Industrials | 165 | 324 | 909 | 750 | 2,178 | 4,064 |
| Financial and Property | 61 | 114 | 325 | 304 | 966 | 1,230 |
| Oils | 12 | 27 | 6 | 80 | 98 | 47 |
| Plantations | 4 | 12 | 12 | 33 | 40 | 67 |
| Mines | 11 | 93 | 50 | 245 | 319 | 206 |
| Others | 34 | 61 | 32 | 190 | 267 | 177 |
| Totals | 290 | 713 | 1,405 | 1,744 | 4,045 | 6,252 |

## FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS — Fri., Mar. 21, 1980

## NEW HIGHS AND LOWS FOR 1979/80

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1979-80.

### NEW HIGHS (4)

BUILDINGS (1)
Nottingham Brick

STORES (1)
Henriques A

FOODS (1)
Assoc. Fisheries

INDUSTRIALS (1)
Royal Worcester

### NEW LOWS (51)

BRITISH FUNDS (1)
Exch. 13½pc '83

AMERICANS (5)
Caterpillar, I.B.M., Citicorp, Richardson Merrell, Colt Inds.

BANKS (1)
Cie. Bancaire

STORES (1)
Waring & Gillow

ELECTRICALS (3)
Chloride, Philips' Lamps, Petbow

ENGINEERING (9)
Abwood, Greenbank, Acrow, Porter Chadburn, Babcock Int., Wombwell Foundry, Danks Gowerton, Woodhouse & Rixson, Eva Inds.

FOODS (1)
Bluebird

HOTELS (1)
Ladbroke

INDUSTRIALS (14)
Airfix, Norcros, Barget, Prestige, Burndene, Sangers, Dufay Bitumastic, Sumner (F.), Fobel Int., Trans Union, Lesney, Turner & Newall, Maddock, Unilever

LEISURE (2)
Boosey & Hawkes, Zetters

MOTORS (3)
Peak Invs., BSG, Bluemel Brothers

NEWSPAPERS (1)
Websters

PAPER (1)
Clay (Richard)

PROPERTY (1)
Hartley Ind. Tst.

SHIPPING (1)
Jacobs (J. I.)

SHOES (1)
Strong and Fisher

TEXTILES (2)
Coats Patons, Youghal

TRUSTS (2)
Estate Duties, Suez Finance

MINES (1)
South Crofty

## OPTIONS

**DEALING DATES**

| First Dealings | Last Dealings | Last Declaration | For Settlement |
|---|---|---|---|
| Mar. 17 | Mar. 28 | Jun. 26 | Jul. 7 |
| Mar. 31 | Apr. 11 | Jul. 10 | Jul. 21 |
| Apr. 21 | May 2 | Aug. 7 | Aug. 18 |

*For rate indications see end of Share Information Service*

Money was given for the call of Marshall Cavendish, John Brown, Courtaulds, Oil Search, Electronic Machine, Ladbroke Warrants, Lonrho, De Beers Deferred, Silvermines, UDT, Weir Group, Australian Consolidated Minerals, Northern Kalgoolie, Tricentrol, Turner and Newall, Coral Leisure, and Premier Oil. Puts were transacted in Debenhams, Endeavour Resources and Cluff Oil.

## RECENT ISSUES

### EQUITIES

| Issue Price p‡ | Amount Paid Up | Latest Renunc. Date | 1979/80 High | 1979/80 Low | Stock | Closing Price p‡ | + or — | Div. P. or Amount | Times Covered | Gross Yield | P.E. Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 50 | 50p | — | 140 | 83 | Berkley Exploration | 92 | —1 | — | — | — | — |
| 21 | F.P. | 21/3 | 102 | 100 | Child Health Res'ch | 101 | ...... | — | — | — | — |
| 10 | F.P. | 28/2 | 11¼ | 10 | Keep Inv. Trust 5p | 11¼ | ...... | — | — | — | — |
| ** | F.P. | 7/3 | 89 | 70 | Lon.Merc'tSecs.Defd | 70 | —2 | — | — | — | — |
| — | F.P. | — | 34 | 29 | Roche Plant 10p | 31 | ...... | 1.25 | 2.7 | 5.8 | 7.2 |
| §44 | F.P. | — | 60 | 57 | WebberElctCom12.5p | 57 | —1 | b3.5 | ‡1.3 | 8.8 | 10.2 |

### FIXED INTEREST STOCKS

| Issue Price £ | Amount Paid Up | Latest Renunc. Date | 1979/80 High | 1979/80 Low | Stock | Closing Price £ | + or — |
|---|---|---|---|---|---|---|---|
| ¶¶ | F.P. | — | 37p | 35p | Aurora 3.85% Cum. Pref. | 35p | —1 |
| ‖120p | F.P. | 15/3 | 122p | 100p | Clifford (Chas.) 12% Cum. Pref. | 120p | +2 |
| ¶ | F.P. | 30/5 | 98p | 93 | Felixstowe Dock 9½% Cum Red Pref. | 93½ | ...... |
| ¶ | — | 2/9 | 112 | 111 | Globe Inv Tst 11¼% Conv Uns Ln '90-95 | 111 | ...... |
| ¶ | £10 | 29/5 | 8⅛ | 7 | Mid Kent Water 9% Red Pref. 1985 | 7 | —½ |
| ¶ | F.P. | 24/4 | 97 | 95 | Rk'm'nw'h & Uxbridge Wtr. 9% RdPf 1985 | 95½ | +½ |
| ¶ | £10 | 30/5 | 12 | 11 | Sutton District Water 10pcRedPref.1983 | 12 | ...... |

### "RIGHTS" OFFERS

| Issue Price p‡ | Am'unt Paid Up | Latest Renunc. Date ● | Latest Renunc. Date ■ | 1979/80 High | 1979/80 Low | Stock | Closing Prices p‡ | + or — |
|---|---|---|---|---|---|---|---|---|
| 186 | F.P. | 21/3 | 8/5 | 167 | 159 | AGB Research | 163 | +3 |
| $25.50 | Nil | — | — | 15pm | 2pm | Bank of Montreal | 2pm | ...... |
| 330 | F.P. | — | — | 391 | 315 | Cluff Oil | 315 | —5 |
| 33½ | F.P. | 22/2 | 28/3 | 68½ | 55 | Edwards (Louis C.) | 58pm | +2 |
| 60 | F.P. | 3/1 | 24/1 | 845 | 660 | Hammerson Prop. A | 790 | ...... |
| 60cts | Nil | [illegible] | [illegible] | [illegible] | [illegible] | Pancontinental | 190 | [illegible] |
| 68 | Nil | [illegible] | [illegible] | [illegible] | 1pm | United Biscuits | 2pm | [illegible] |

## UNIT TRUST SERVICE

## OFFSHORE & OVERSEAS—contd.

# FT UNIT TRUST INFORMATION SERVICE

## AUTHORISED UNIT TRUSTS

**Abbey Unit Tst. Mngrs. (a)**
72-80, Gatehouse Rd., Aylesbury 0296 5941

| | | | | |
|---|---|---|---|---|
| Abbey Amer. Gth. Tst. | 47.0 | 49.7 | +0.2 | 2.00 |
| Abbey Capital | 35.2 | 38.1 | ---- | 5.79 |
| Abbey General | 45.7 | 48.9 | ---- | 6.05 |
| Abbey Gilt & F.I. Tst. | 98.8 | 105.1 | -0.1 | 4.76 |
| Abbey Income | 40.5 | 43.7 | ---- | 8.82 |
| Abbey Intl. Bd. Tst. | 94.2 | 98.6 | +0.4 | 5.58 |
| Abbey Inv. Tst. Fnd. | 36.0 | 38.9 | ---- | 6.10 |
| Equitas Prog. Trust | 67.2 | 72.6 | -0.4 | 5.99 |

**Allen Harvey & Ross Unit Tst. Mngrs.**
45, Cornhill, London EC3V 3PB. 01-623 6314.

| | | | | |
|---|---|---|---|---|
| AHR Gilt & Pref | 89.5 | 94.3 | ---- | 13.38 |

**Allied Hambro Group (a) (g)**
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

| | | | | |
|---|---|---|---|---|
| **Balanced Funds** | | | | |
| Allied 1st | 72.6 | 77.7xd | -0.1 | 6.18 |
| Brit. Inds. Fund | 66.9 | 71.6 | -0.1 | 6.28 |
| Growth & Income | 40.1 | 42.9 | ---- | 5.87 |
| Elect. & Ind. Dev. | 37.0 | 39.6 | ---- | 5.30 |
| Allied Capital | 74.6 | 79.8 | ---- | 5.51 |
| Hambro Fund | 113.6 | 121.5 | +0.1 | 6.64 |
| Hambro Acc. Fund | 139.1 | 148.8 | ---- | 5.65 |
| **Income Funds** | | | | |
| High Yield Fd. | 66.0 | 70.6xd | -0.1 | 10.48 |
| High Income | 66.8 | 71.5xd | +0.1 | 8.25 |
| A. H. Eq. Inc. | 39.7 | 42.5 | ---- | 8.21 |
| **International Funds** | | | | |
| International | 26.7 | 28.6 | -0.1 | 3.79 |
| Pacific Fund | 42.3 | 45.3 | -0.2 | 2.73 |
| Secs. Of America | 56.2 | 60.1 | -0.1 | 2.33 |
| **Specialist Funds** | | | | |
| Smaller Co.'s Fd. | 47.4 | 50.7 | ---- | 4.64 |
| 2nd Smlr. Co's Fd. | 55.4 | 59.3xd | ---- | 4.81 |
| Recovery Sits. | 110.2 | 117.9 | ---- | 6.57 |
| Met. Min. & C'dty. | 56.8 | 60.8 | -0.3 | 4.85 |
| Overseas Earnings | 56.7 | 60.7 | -0.2 | 5.60 |
| **Exempt Funds** | | | | |
| Far East Exempt | 50.7 | 52.7 | -0.2 | 3.36 |
| Smaller Co. Exempt | 73.2 | 76.9 | +0.1 | 5.07 |
| U.S.A. Exempt | 98.6 | 102.5xd | -0.2 | 3.41 |

**Anderson Unit Trust Managers Ltd.**
158, Fenchurch St., EC3M 6AA. 623 9231

| | | | | |
|---|---|---|---|---|
| Anderson U.T. | 56.5 | 61.1 | ---- | 5.22 |

**Ansbacher Unit Mgmt. Co. Ltd.**
1, Noble St., EC2V 7JA. 01-623 6376

| | | | | |
|---|---|---|---|---|
| Inc. Monthly Fund | 155.0 | 165.0xd | ---- | 11.94 |

**Arbuthnot Securities Ltd. (a)(c)**
37, Queen St., London, EC4R 1BY. 01-236 5281

| | | | | |
|---|---|---|---|---|
| Capital† | 23.7 | 25.5 | ---- | — |
| Commodity*** | 72.9 | 78.7 | ---- | 3.54 |
| (Accumulation) | 110.4 | 119.2 | ---- | 3.54 |
| (10% Withdrawal) | 58.4 | 63.0 | ---- | 3.54 |
| Eastern & Internatl.† | 26.2 | 28.2xd | ---- | 1.00 |
| (6% Withdrawal) | 18.8 | 20.3xd | ---- | 1.00 |
| Extra Income | 90.3 | 97.5 | -0.1 | 11.32 |
| (Accumulation) | 97.8 | 105.6 | -0.1 | 11.32 |
| Finance & Property* | 19.4 | 20.9 | ---- | 5.18 |
| Foreign†† | 97.1 | 105.6 | ---- | 1.64 |
| Giants | 35.6 | 38.4 | +0.1 | 4.39 |
| (Accumulation) | 44.4 | 47.9 | ---- | 4.39 |
| Gilt & Fixed* | 39.2 | 43.0 | ---- | 5.44 |
| (Accumulation) | 40.2 | 44.1 | ---- | 5.44 |
| Growth | 32.9 | 35.5 | ---- | 4.49 |
| (Accumulation) | 41.6 | 44.9 | ---- | 4.49 |
| High Income | 34.0 | 36.7 | ---- | 11.05 |
| (Accumulation) | 53.2 | 57.4 | -0.1 | 11.05 |
| (8% Withdrawal) | 45.1 | 48.7 | -0.1 | 11.05 |
| High Yield | 40.3 | 43.5xd | -0.1 | 12.35 |
| (Accumulation) | 66.3 | 71.6xd | -0.2 | 12.35 |
| North American†† | 27.3 | 29.7 | ---- | 1.00 |
| Preference | 21.5 | 23.4 | ---- | 14.00 |
| (Accumulation) | 38.2 | 41.6 | ---- | 14.00 |
| Smaller Companies* | 27.9 | 30.1 | ---- | 4.98 |

Dealings. †Tues. *Wed. ††Thurs. ***Friday.

**Discretionary Unit Fund Managers**
22 Blomfield St., EC2M 7AL. 01-638 4485

| | | | | |
|---|---|---|---|---|
| Disc. Inc. Mar. 21 | 203.9 | 217.5 | -10.9 | 5.65 |

**E. F. Winchester Fund Mngt. Ltd.**
44, Bloomsbury Square, WC1A 2RA 01-623 8893

| | | | | |
|---|---|---|---|---|
| Great Winchester | 17.4 | 19.3 | ---- | 7.18 |
| Gt. Winchester O'seas | 20.3 | 22.6 | ---- | 5.43 |

**Emson & Dudley Tst. Mngmnt. Ltd.**
28b Albemarle St., W1. 01-493 3211

| | | | | |
|---|---|---|---|---|
| Emson Dudley Tst. | 77.4 | 83.2 | ---- | 6.00 |

**Equity & Law Un. Tr. M.♥ (a)(b)(c)**
Amersham Rd., High Wycombe. 0494 33377

| | | | | |
|---|---|---|---|---|
| Equity & Law | 70.9 | 74.6xd | -0.1 | 5.55 |

**Fidelity International Management Ltd.**
62-63, Queen St., London, EC4R 1AD. 01-248 4891

| | | | | |
|---|---|---|---|---|
| American | 24.1 | 25.4 | ---- | 1.00 |
| Fixed Interest | 25.2 | 26.6 | -0.1 | 12.00 |
| Growth + Income | 28.6 | 30.2 | ---- | 7.80 |
| Special Sits. | 27.4 | 28.9 | +0.2 | 3.00 |

**James Finlay Unit Trust Mngt. Ltd.**
10-14, West Nile Street, Glasgow. 041-204 1321

| | | | | |
|---|---|---|---|---|
| J. Finlay Internat'l | 25.1 | 27.0 | ---- | 2.58 |
| Accum. Units | 30.5 | 32.8 | ---- | 2.58 |
| J. Finlay High Income | 31.0 | 33.0xd | ---- | 10.60 |
| J. Finlay Euro.Fin. | 19.9 | 21.4xd | ---- | 4.03 |
| Accum. Units | 24.6 | 26.4xd | ---- | 4.03 |
| J. Finlay Fd.In.Tst. | 30.5 | 32.8 | ---- | 5.71 |
| Accum. Units | 36.8 | 39.6 | ---- | 5.71 |

Prices on March 19. Next dealing March 26.

**Framlington Unit Mgt. Ltd. (a)**
64, London Wall, EC2M 5NQ. 01-628 5181

| | | | | |
|---|---|---|---|---|
| American | 50.0 | 53.0 | ---- | 1.36 |
| American Turnaround | 50.2 | 53.4 | ---- | 2.00 |
| Capital Tst. | 50.8 | 54.0xd | ---- | 5.02 |
| (Accum. Units) | 51.6 | 54.8 | ---- | 5.02 |
| Extra Income Trust | 47.0 | 49.8 | -0.4 | 10.56 |
| Income Tst. | 36.2 | 38.4 | ---- | 8.66 |
| Int. Growth Fd. | 41.8 | 44.4 | +0.2 | 2.27 |
| (Accum. Units) | 44.0 | 46.8 | +0.2 | 2.27 |

**Friends' Provdt. Unit Tr. Mgrs.♥**
Pixham End, Dorking. 0306 5055

| | | | | |
|---|---|---|---|---|
| Friends Prov. Units | 47.2 | 50.4 | +0.2 | 5.05 |
| Do. Accum. | 65.0 | 69.5 | +0.3 | 5.05 |

**Funds in Court***
Public Trustee, Kingsway, WC2. 01-405 4300

| | | | | |
|---|---|---|---|---|
| Capital Mar. 13 | 114.5 | 117.6 | ---- | 5.30 |
| Gross Inc. Mar. 13 | 73.7 | 76.1 | ---- | 11.56 |
| High Yield Mar. 13 | 82.8 | 85.8xd | ---- | 11.03 |

*Unauth. Restricted to monies under Court control.

**G.T. Unit Managers Ltd.♥**
16 Finsbury Circus, EC2M 7DD 01-628 8131

| | | | | |
|---|---|---|---|---|
| G.T. Cap. Income | 111.3 | 118.3 | -0.1 | 3.80 |
| Do. Acc. | 139.8 | 148.7 | -0.1 | 3.80 |
| G.T. Inc. Fd. Un. | 165.2 | 175.7xd | +4.6 | 9.30 |
| G.T. U.S. & Gen. | 137.8 | 146.5 | +1.8 | 2.60 |
| GT Wld. Bd. Fd. | 94.5 | 97.9 | -0.1 | 5.60 |
| G.T. Japan & Gen. | 64.8 | 68.5 | -0.2 | 3.10 |
| ♦Gt. Pens.Ex.Fd. | 216.1 | 227.4 | -3.3 | 3.40 |
| G.T. Int'l. Fund | 171.0 | 181.9xd | +4.9 | 2.60 |
| G.T. Four Yds. Fd. | 46.5 | 49.4 | +1.2 | 7.90 |
| G.T. Far East & Gen. | 49.0 | 52.6 | +0.2 | 2.80 |

**G. & A. Trust (a) (g)**
5 Rayleigh Road, Brentwood. (0277) 227300

| | | | | |
|---|---|---|---|---|
| G. & A. | 35.6 | 38.0 | ---- | 5.47 |

**Gartmore Fund Managers♥ (a)(g)**
2 St. Mary Axe, EC3A 8BP 01-623 6114
Dealing only: 01-623 5766/5806

| | | | | |
|---|---|---|---|---|
| American Trust | 26.3 | 28.2 | ---- | 0.79 |
| British Tst. (Acc.) | 58.3 | 62.7 | ---- | 4.44 |
| Commodity Share | 38.2 | 41.1 | ---- | 2.98 |
| Extra Income Tst. | 22.4 | 24.1 | ---- | 9.74 |
| Far East Trust | 31.6 | 34.0xd | +0.2 | 3.04 |
| High Income Tst. | 53.6 | 57.7 | -0.1 | 10.42 |
| Income Fund | 72.1 | 77.6 | -0.4 | 7.59 |
| Ins. Agencies | 14.52 | 15.46 | -0.01 | 5.22 |
| Intl. Exempt Fd. | 92.5 | 100.5 | -0.3 | 6.66 |
| Intl. Tst. (Acc.) | 34.2 | 36.8 | ---- | 1.07 |
| Special Sits. Tst. | 27.0 | 28.5xd | ---- | 2.74 |

**Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)**
3 Frederick's Pl., Old Jewry, EC2 01-588 4111

| | | | | |
|---|---|---|---|---|
| Extra Income | 26.1 | 28.4xd | +0.1 | 11.00 |
| Income | 39.5 | 42.9 | ---- | 10.40 |
| Accumulation | 70.3 | 76.5 | ---- | 4.90 |
| Growth | 41.4 | 45.0 | ---- | 5.20 |
| UK Mkt. Leaders | 45.9 | 49.4 | ---- | 5.00 |
| Small Co's | 38.5 | 41.9xd | ---- | 6.70 |
| Technology | 61.7 | 67.1 | +0.1 | 4.10 |
| Private | 40.6 | 44.3xd | ---- | 5.20 |

## INSURANCE PROPERTY BONDS

## OFFSHORE & OVERSEAS FUNDS

# FT SHARE INFORMATION SERVICE

## BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

## INTERNATIONAL BANK

## CORPORATION LOANS

## COMMONWEALTH & AFRICAN LOANS

## LOANS

Public Board and Ind.

Financial

| | | | | | | |
|---|---|---|---|---|---|---|
| 103¼ | 96 | FFI 13pc 1981 | 96¾ | -¼ | 13.42 | 16.90 |
| 108¾ | 93½ | Do. 14pc '83 | 94½ | -¼ | 14.81 | 15.96 |
| 86½ | 77½ | ICFC 5½pc Deb. '80-82 | 81xd | ...... | 6.79 | 14.87 |
| 85 | 69 | Do. 6¼pcDb. '81-84 | 73½ | ...... | 8.77 | 15.00 |
| 99 | 79½ | Do. 10½pc Uns.Ln. '86 | 84 | ...... | 12.82 | 15.30 |
| 99 | 77 | Do. 11pc Uns.Ln. '88 | 83 | ...... | 13.59 | 14.75 |
| 101½ | 80 | Do. 11¾pc Uns.Ln. '90 | 85 | ...... | 14.24 | 15.25 |
| 72½ | 54½ | Do. 7¼pcADeb. '89-92 | 57½ | ...... | 13.15 | 15.30 |
| 69 | 51½ | Do. 7¼pcA Db. '91-94 | 54xd | ...... | 13.43 | 15.30 |
| 72 | 64 | Do. 9pc 'A' '91-94 | 65xd | ...... | 13.85 | 15.00 |
| 78½ | 61 | Do. 8⅞pc Ln. '92-97 | 62xd | ...... | 14.31 | 15.00 |
| 102 | 84½ | Do. 12½pc. Uns. Ln. 1992 | 85xd | ...... | 14.70 | 15.25 |

## FOREIGN BONDS & RAILS

## AMERICANS

## CANADIANS

## BANKS AND HIRE PURCHASE

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 375 | 250 | Cater Ryder £1 | 273 | +3 | 18.88 | — | 9.9 | — |
| 110 | 42 | Clive Dis'nt 20p | 44 | +1 | 5.33 | — | 17.3 | — |
| 224 | 121 | Com'l Aus. (SA1) | 142 | -2 | †Q18c | 3.0 | 6.6 | 5.0 |
| *935 | 785 | Com'zbk DM 10 | 795 | +10 | Q26.56% | — | 9.3 | — |
| £18½ | 875 | C'hgn Hbk. Kr100 | 875 | ...... | Q13% | — | 15.3 | — |
| 41 | 20 | Corinthian 10p | 29 | ...... | †1.05 | 5.9 | 5.2 | 3.3 |
| £24¾ | £15 | Cred. France F75 | £16⅝ | ...... | Q12.5% | — | 6.2 | — |
| 13 | 5 | Dawes (G. R.) | 12 | ...... | — | — | — | — |
| *£19½ | £57⅝ | Deutsche Bank DM50 | £57⅝ | ...... | Q28.12% | — | 6.3 | — |
| 90 | 55 | F. C. Finance | 60 | ...... | 2.2 | 4.9 | 5.2 | 5.5 |
| 17 | 5¼ | First Nat. 10p | 14¼ | +¼ | — | — | — | 0.9 |
| 4 | 1½ | Do. Wrrts. 75-83 | 1¾ | +¼ | — | — | — | — |
| 266 | 178 | Gerrard Natnl | 196 | +4 | †9.12 | — | 6.6 | — |
| 84 | 38 | Gibbs (A.) | 82 | +5 | 2.2 | — | 3.8 | — |

## BANKS & HP—Continued

Hire Purchase, etc.

## BEERS, WINES AND SPIRITS

## BUILDING INDUSTRY, TIMBER AND ROADS

## CHEMICALS, PLASTICS

## CHEMICALS, PLASTICS—Cont.

## DRAPERY AND STORES

## ELECTRICALS

## ENGINEERING MACHINE TOOLS

## ENGINEERING—Continued

## FOOD, GROCERIES, ETC.

## FOOD, GROCERIES—Cont.

## HOTELS AND CATERERS

## INDUSTRIALS (Miscel.)



# FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY

Telex: Editorial 8954871. Advertisements: 885033. Telegrams: Finantimo, London.

Telephone: 01-248 8000.

Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1.

Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.

INTERNATIONAL AND BRITISH OFFICES

### EDITORIAL OFFICES

Amsterdam: P.O. Box 1296, Amsterdam-C. Telex 16527 Tel: 276 796

Birmingham: George House, George Road. Telex 338650 Tel: 021-454 0922

Bonn: Presshaus 11/104 Heussallee 2-10. Telex 8869542 Tel: 210039

Brussels: 39 Rue Ducale. Telex 23283 Tel: 512-9037

Cairo: P.O. Box 2040. Tel: 938510

Dublin: 8 Fitzwilliam Square. Telex 5414 Tel: 785321

Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4120

Frankfurt: Frankenallee 71-81 Telex: 416052 Tel: 7598 234

Johannesburg: P.O. Box 2128 Telex 8-6257 Tel: 838-7545

Lisbon: Praca de Algeria 58-1D, Lisbon 2. Telex: 12533 Tel: 362 508

Madrid: Espronceda 32, Madrid 3. Tel: 441 6772

Manchester: Queen's House, Queen Street. Telex: 666813 Tel: 061-834 9381

Mexico: Paseo de la Reforma 122-10, Mexico 6DF. Tel: 53513-68

Moscow: Kutuzovsky 14, Apartment 1, Moscow. Telex: 7900 Tel: 243 1635

New York: 75 Rockefeller Plaza, N.Y. 10019. Telex: 66390 Tel: (212) 541 4625

Paris: 36 Rue du Sentier, 75002. Telex: 220044 Tel: 236.57.43

Rome: Via della Mercede 55. Telex: 610032 Tel: 678 3314

Stockholm: c/o Svenska Dagbladet, Raalambsvagen 7. Telex: 17603 Tel: 50 60 88

Tokyo: 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Fax Tel: 241 2920

Washington: 914 National Press Building, Washington D.C. 20045 Telex: 440340 Tel: (202) 347 8676

### ADVERTISEMENT OFFICES

Birmingham: George House, George Road. Telex 338650 Tel: 021-454 0922

Edinburgh: 37 George Street, Telex: 72484 Tel: 031-226 4139

Leeds: Permanent House, The Headrow. Tel: 0532 454969

Manchester: Queen's House, Queen Street. Telex 666813 Tel: 061-834 9381

Frankfurt: Frankenallee 68-72 Telex: 416193 Tel: 7598 1

New York: 75 Rockefeller Plaza, N.Y. 10019 Telex 238409 Tel: (212) 489 8300

Paris: 36 Rue du Sentier, 75002. Telex 220044 Tel: 236.86.01

Tokyo: Kasahara Building, 1-6-10 Uchikanda, Chiyoda-ku. Telex J27104 Tel: 295 4050

*Overseas advertisement representatives in*
Central and South America, Africa, the Middle East, Asia and the Far East.
For further details, please contact:
Overseas Advertisement Department,
Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY

### SUBSCRIPTIONS

*Copies obtainable from newsagents and bookstalls worldwide or on regular subscription from* Subscription departments: Financial Times in London, Frankfurt and New York

For Share Index and Business News Summary in London, Birmingham, Liverpool and Manchester, Tel: 246 8026


مكتبة الأمين

هكذا من الأصل

## INDUSTRIALS—Continued

## INSURANCE—Continued

## LEISURE

## MOTORS, AIRCRAFT TRADES

### Motors and Cycles

### Commercial Vehicles

### Components

### Garages and Distributors

## NEWSPAPERS, PUBLISHERS

## PAPER, PRINTING ADVERTISING

## PROPERTY

## INSURANCE

## PROPERTY—Continued

## SHIPPING

## SHOES AND LEATHER

## SOUTH AFRICANS

## TEXTILES

## TOBACCOS

## TRUSTS, FINANCE, LAND

### Investment Trusts

## INVESTMENT TRUSTS—Cont.

### Finance, Land, etc.

## FINANCE, LAND—Continued

## OIL & GAS

## OVERSEAS TRADERS

## RUBBERS AND SISALS

## TEAS

### India and Bangladesh

### Sri Lanka

### Africa

## MINES

### CENTRAL RAND

### EASTERN RAND

### FAR WEST RAND

### O.F.S.

### FINANCE

### DIAMOND AND PLATINUM



## MINES—Continued

### CENTRAL AFRICAN

| 1979-80 High | Low | Stock | Price | + or − | Div. Net | Cvr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 430 | 97 | Coronation | 290 | −10 | †Q54c | 2.2 | 11.1 |
| 680 | 132 | Falcon Rh.50c. | 660 | −10 | †Q100c | 1.7 | 11.7 |
| 48 | 11 | Rhod'n Corp. 16⅔p. | 39xd | −1 | 0.56 | 8.5 | 2.0 |
| 267 | 70 | Roan Cons. K4 | 190 | ...... | †Q0.12 | ϕ | 4.0 |
| 67 | 26 | Wankie Col. Rh.1 | 58 | −1 | Q9c | 1.5 | 10.7 |
| 57 | 9 | Zam.Cpr.SBD0.24 | 31 | −1 | — | — | — |

### AUSTRALIAN

| 1979-80 High | Low | Stock | Price | + or − | Div. Net | Cvr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 28 | 18 | Acmex 50c. | 24 | ...... | — | — | — |
| 24 | 4 | ACM 20c. | 16 | ...... | — | — | — |
| 115 | 50 | Bond Corp. | 85 | ...... | Q3.75 | 2.2 | 2.2 |
| 234 | 100 | Bougainville 50 Toea | 166 | −7 | sQ9½c | ϕ | 12.7 |
| 265 | 84 | BH South 50c. | 200 | ...... | ϕ— | — | — |
| 25 | 11½ | Canada Northwest | 15 | −1 | — | — | — |
| 54 | 8 | Carr Boyd 20c | 24 | −1 | — | — | — |
| £26 | 340 | Central Pacific | £17½ | −1 | — | — | — |
| 356 | 170 | Conzinc Riotinto 50c. | 242 | −16 | Q15c | ϕ | 3.2 |
| 39 | 14 | Cultus Pacific N.L. | 28 | −2 | — | — | — |
| *50 | 2½ | Eagle Corp. 10c. | 30 | ...... | — | — | — |
| 26¼ | 11 | Endeavour 20c | 19½ | −½ | — | — | — |
| 258 | 62 | G. M. Kalgoorlie 25c | 202 | −6 | †Q3c | — | 0.8 |
| 372 | 148 | Hamptn Areas 5p. | 340 | −10 | 3.5 | 2.8 | 1.5 |
| 75 | 20 | Haoma Gold N.L. | 42 | −1 | — | — | — |
| 72 | 25 | Metals Ex. 50c | 64 | −2 | — | — | — |
| 314 | 134 | M.I.M. Hldgs. 50c. | 210 | −12 | †Q16¼c | 1.8 | 3.9 |
| 38 | 15 | Minefields Expl. | 38 | ...... | — | — | — |
| 155 | 30 | Mount Lyell 25c | 85 | −7 | — | — | — |
| 44 | 13 | Newmetal 20c. | 18 | −1 | — | — | — |
| 210 | 91 | ††North B. Hill 50c. | 152 | −12 | Q12c | 1.4 | 4.0 |
| 80 | 7½ | Nth. Kalgurli | 56 | −4 | — | — | — |
| 165 | 45 | Nth. Mining Corp. | 105 | −5 | — | — | — |
| 71 | 18 | N. West Mining N.L. | 36 | −2 | — | — | — |
| 235 | 76 | Oakbridge $A1 | 173 | ...... | Q12c | 4.7 | 3.6 |
| 122 | 22 | Oilmin N. L. | 85 | ...... | — | — | — |
| *227 | 42 | Pacific Copper | 205xr | +11 | — | — | — |
| *575 | 125 | Pancont'l 25c | 315 | ...... | — | — | — |
| *78 | 2 | Paringa M&Ex.5p | 55 | −2 | — | — | — |
| 495 | 248½ | Peko-Wallsend 50c. | 380 | −5 | Q17.5c | ϕ | 2.4 |
| 230 | 125 | Seltrust A | 165 | −5 | — | — | — |
| £10½ | 145 | Southern Pacific | 637 | −100 | — | — | — |
| *75 | 8½ | Swan Resources 20c. | 52 | ...... | — | — | — |
| 16 | 12 | West Coast 25c | 12 | ...... | — | — | — |
| 268 | 121 | Westn. Mining 50c. | 198xd | −10 | †Q7c | 1.6 | 1.9 |
| 30 | 8 | Westmex | 15 | ...... | — | — | — |
| 94 | 40 | Whim Creek 20c. | 72 | ...... | — | — | — |
| 25 | 10½ | York Resources | 15 | −2 | — | — | — |

### TINS

| 1979-80 High | Low | Stock | Price | + or − | Div. Net | Cvr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 34 | 25 | Amal. Nigeria | 31 | ...... | t6.0 | 1.9 | 27.6 |
| 435 | 265 | Ayer Hitam $M1 | 275xd | ...... | ‡Q290c | 0.9 | ‡ |
| 72 | 48 | Beralt Tin | 50 | ...... | 4.5 | ϕ | 12.9 |
| 270 | 149½ | Berjuntai $M1 | 160 | ...... | ‡Q95c | 1.0 | ‡ |
| 230 | 125 | Geevor | 200 | ...... | 8.71 | 3.1 | 6.2 |
| 11 | 8 | Gold & Base 12½p. | 10 | ...... | — | — | — |
| 365 | 295 | Gopeng Cons. | 335 | ...... | 25.0 | 1.8 | 10.7 |
| 370 | 289 | Hongkong | 300 | ...... | 35.57 | ϕ | 17.1 |
| 105 | 64 | Idris 10p | 98 | ...... | 28.0 | ϕ | 11.7 |
| 15 | 9½ | Jantar 12½p. | 14 | ...... | — | — | — |
| 95 | 38 | Kamunting $M0.50. | 70 | ...... | Q47½c | 1.1 | 15.2 |
| 620 | 210 | Killinghall $M1 | 320# | ...... | Z060c | — | 3.8 |
| 660 | 365 | Malay Dredging $M1 | 660 | ...... | †Q105c | 2.6 | 3.2 |
| 57 | 26 | Pahang | 27 | ...... | 0.44 | 0.3 | 2.4 |
| 123 | 60 | Pengkalen 10p | 94 | ...... | 6.0 | 1.3 | 9.1 |
| 290 | 195 | Petaling $M1 | 270 | ...... | Q150c | 1.4 | 11.3 |
| 87 | 53 | Saint Piran | 60 | ...... | ‡2.5 | 6.4 | ‡ |
| 58 | 32 | South Crofty 10p. | 32 | −3 | ‡3.0 | 2.0 | ‡ |
| 255 | 170 | South Kinta $M0.50. | 210 | ...... | Q150c | 1.8 | 14.5 |
| 430 | 285 | Sthn Malayan $M1 | 390 | ...... | Q175c | 2.1 | 9.1 |
| 310 | 210 | Sungei Besi $M1. | 255 | ...... | †Q520c | 1.0 | 41.5 |
| 75 | 25 | Supreme Corp. $M1. | 46 | ...... | Z010c | — | 4.4 |
| 105 | 93 | Tanjong 15p | 95 | ...... | 24.5 | ϕ | 6.8 |
| 115 | 80 | Tongkah H. Tin | 80 | ...... | Q45c | 1.3 | 12.6 |
| 280 | 190 | Tronoh $M1 | 235 | ...... | †Q25c | 5.2 | 2.2 |

### COPPER

| 1979-80 High | Low | Stock | Price | + or − | Div. Net | Cvr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 235 | 56 | Messina R0.50 | 180 | ...... | Q10c | ϕ | 3.2 |

### MISCELLANEOUS

| 1979-80 High | Low | Stock | Price | + or − | Div. Net | Cvr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 160 | 78½ | Anglo-Dominion | 155 | +5 | — | — | — |
| 97 | 54 | Barymin | 72 | ...... | — | — | — |
| 14½ | 10 | Burma Mines 17½p | 13½ | ...... | — | — | — |
| 502 | 170 | Cons. Murch. 10c. | 400 | −10 | MQ100c | 1.8 | 14.3 |
| 585 | 280 | Northgate C$1 | 400 | −20 | — | — | — |
| 492 | 226 | R.T.Z. | 345 | −22 | †11.5 | 3.4 | 4.8 |
| 33 | 12 | Robert Mines | 27½ | −½ | — | — | — |
| 65 | 26 | Sabina Inds. C$1 | 38 | −2 | — | — | — |
| 880 | 470 | Tara Exptn. $1 | 560 | ...... | — | — | — |

## NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ≑ Regional price.
- ‖ No par value.
- §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date.

*Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.*

## REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

| | | | IRISH | | |
|---|---|---|---|---|---|
| Albany Inv. 20p | 28 | ...... | | | |
| Bertam | 18 | ...... | Conv. 9% '80/82 | £86 | −⅛ |
| Bdg'wtr. Est. 50p | 380 | −5 | Nat. 9¾% 84/89 | £70½ | ...... |
| Clover Croft | 60 | ...... | Fin. 13% 97/02 | £77⅝ | −⅛ |
| Craig & Rose £1 | £10½ | ...... | Alliance Gas | 60 | ...... |
| Fife Forge | 38 | +2 | Arnott | 380 | ...... |
| Finlay Pkg. 5p | 22 | ...... | Carroll (P.J.) | 50 | ...... |
| Graig Ship. £1 | 850 | −50 | Clondalkin | 103½ | ...... |
| Higsons Brew. | 75 | ...... | Concrete Prods. | 85 | ...... |
| Holt (Jos) 25p | 255 | ...... | Helton (Hldgs.) | 34 | ...... |
| I.O.M. Stm. £1 | 165 | +3 | Ins. Corp. | 235 | ...... |
| Pearce (C. H.) | 385 | −15 | Irish Ropes | 80 | ...... |
| Peel Mills | 37 | ...... | Jacob | 37 | ...... |
| Sheff. Refrshmt. | 97½ | ...... | T.M.G. | 140xd | −5 |
| Sindall (Wm.) | 165 | ...... | Unidare | 102 | −1 |

## OPTIONS

### 3-month Call Rates

| | | | | | |
|---|---|---|---|---|---|
| **Industrials** | | I.C.I. | 32 | Utd. Drapery | 9 |
| A. Brew | 8 | "Imps" | 7 | Vickers | 14 |
| BOC Intl. | 6 | I.C.L. | 45 | Woolworths | 6½ |
| B.S.R. | 5 | Inveresk | 5 | | |
| Babcock | 12 | Ladbroke | 15 | **Property** | |
| Barclays Bank | 30 | Legal & Gen. | 14 | Brit. Land | 7 |
| Beecham | 13 | Lex Service | 10 | Cap. Counties | 9 |
| Blue Circle | 25 | Lloyds Bank | 24 | Land Secs. | 25 |
| Boots | 17 | "Lofs" | 3½ | MEPC | 17 |
| Bowaters | 16 | London Brick | 6 | Peachey | 13 |
| B.A.T. | 25 | Lucas Inds. | 20 | Samuel Props. | 12 |
| Brown (J.) | 7 | "Mams" | 14 | Town & City | 2 |
| Burton 'A' | 22 | Mrks. & Spncr | 9 | | |
| Cadburys | 5½ | Midland Bank | 30 | **Oils** | |
| Courtaulds | 8 | N.E.I. | 5 | Brit. Petroleum | 38 |
| Debenhams | 8 | Nat. West. Bank. | 32 | Burmah Oil | 20 |
| Distillers | 21 | P & O Dfd. | 9 | Charterhall | 12 |
| Dunlop | 5½ | Plessey | 16 | KCA | 11 |
| Eagle Star | 14 | Racal Elect. | 20 | Premier | 12 |
| F.N.F.C. | 2½ | R.H.M. | 4½ | Shell | 35 |
| Gen. Accident | 21 | Rank Org. | 18 | Tricentrol | 35 |
| Gen. Electric | 30 | Reed Intnl. | 17 | Ultramar | 58 |
| Glaxo | 40 | Sears | 5½ | | |
| Grand Met. | 12 | Tesco | 7 | **Mines** | |
| G.U.S. 'A' | 30 | Thorn | 25 | Charter Cons. | 18 |
| Guardian | 23 | Trust Houses | 10 | Cons. Gold | 52 |
| G.K.N. | 22 | Tube Invest. | 27 | Lonrho | 12 |
| Hawker Sidd | 16 | Unilever | 40 | Rio T. Zinc | 35 |
| House of Fraser | 12 | U.D.T. | 4 | | |

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 24

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES

Saturday March 22 1980



MAN OF THE WEEK

# Member of the elite 200

BY ANDREW FISHER

*SHORTLY BEFORE flying off* to the U.S. on a business trip this week, Mr. Patrick Meaney, chief executive of the fast-growing Thomas Tilling group, delved into his large brown suitcase and proudly pulled out a new tie. The idea was not to show that he was a man of fashion—the dark blue tie with thin red diagonal lines and a small white motif was hardly the latest in neckwear—but to illustrate a point about the company's performance after the profits jump announced on Wednesday.

An enterprising manufacturer had made the ties for the heads of the 200 companies deemed by Management Today magazine to be Britain's most profitable. The motif displayed a small figure 200 inside a laurel wreath and Mr. Meaney, not a man to hide Tilling's light under a bushel, planned to wear it at a dinner on his trip.

Mr. Patrick Meaney
*Still feels the U.S. is likely to have faster real growth rates than the UK.*

As executive head of Tilling for the past six or so years, Mr. Meaney has presided over a period of hectic expansion for the diversified group, whose interests range from Pretty Polly tights through insurance (Cornhill) and publishing (Heinemann) to engineering and builders' merchanting. Conglomerate is the obvious word that springs to mind, though to Mr. Meaney "it's an unpleasant word."

Last year, Tilling notched up a profits gain of 25 per cent to reach £81m before tax on sales of £1.4bn, with a good deal of the impetus coming from the U.S. where the recent acquisition pace has been heady. As for the 1980s, for which the financial portents are hardly encouraging, "we've currently got all the talent to survive—in all but a total holocaust."

Tilling operates from an elegant 18th century mansion house in London's Mayfair that would be the envy of most company managements. Behind the white-painted Georgian facade, less than 100 people oversee the far flung opeations of the company which employs some 47,000 people. It was in this house that Sir Winston Churchill met his American wife, Clementine.

Clearly, with such a small head office staff, Tilling's *management style is highly* decentralised. "We like to be involved, but we don't interfere," says Mr. Meaney who joined the group in 1960 after training as a cost accountant and then working in the retail industry. The heads of the group's 22 operating companies, he adds, are regarded as businessmen rather than divisional managers—"we don't attempt to pretend we're experts in every trade."

Around a third of his time is spent travelling outside the UK, and Tilling is now casting a keen eye on the Far East after its latest concentration on the U.S. He also travels widely in the UK keeping in touch with the group's extensive home activities, which still account for the bulk of profits.

Tilling's buying spree cost it *£76m last year, most of the companies* acquired being in the U.S. In 1980, when total profits should be £90m or more, a quarter of its earnings are likely to stem from the U.S., which is the goal set by Mr. Meaney when he became managing *director in 1973. Then, the proportion* was around 10 per cent.

Although its transatlantic acquisition programme is now tailing off, Tilling is now involved in the $10.75m (£4.9m) purchase of Glasco Electric, of St. Louis, and a $42.5m bid for Xynetics, a Californian maker of semi-conductor equipment.

Despite America's obvious economic problems, Mr. Meaney still feels it is likely to have faster real growth rates than the UK or continental Europe. He is not over keen on President Carter's latest economic package, though. "It's very anaemic."

# Libya confirms 17% cut in oil output

BY RICHARD JOHNS, MIDDLE EAST EDITOR

LIBYA has confirmed her decision to cut oil production by 17 per cent next month in a move thought in the oil industry to be motivated partly by determination to maintain the high price set for Libyan premium crudes.

The reduction will go a long way, when added to the other oil production cuts in prospect, to eliminate the glut predicted for the summer. This will lessen the chances of the Organisation of Petroleum Exporting Countries agreeing on a unified price structure at the next ordinary Ministerial conference due in Algiers in June.

The Libyan cut means that output will fall from an average of about 2.1m barrels a day to 1.75m, some 350,000 fewer in available supplies.

Libya's top-grade light sulphur-free crude is now priced at $34.72 a barrel compared with the OPEC base of $26 for Saudi Arabia's light crude.

Recently there have been indications that the highest premiums charged by OPEC members have come under some pressure.

From April 1 Kuwait's production will be lowered to a maximum of 1.5m b/d, compared with 2.23m last year.

Nigeria has indicated that she might cut output by up to a further 10 per cent. In January, Nigeria produced about 2.15m b/d.

With Iraq believed to be producing 3.3m to 3.4m b/d compared with the 3.7m officially announced at the New Year, and Iran much less than the 3m claimed by their Government, *members of OPEC are moving* indiviidually to eliminate a surplus of 1m b/d that, with the benefit of a mild winter, has enabled the consuming countries to build up stocks in the past four months to almost full capacity.

Companies are understood to have been notified of Libya's cut on March 9. It had been foreshadowed last December, when Mr. Izzedin Mabrouk, former Minister of Oil, warned that it would react in this way to any surplus.

Earlier this month Mr. Abdel-Salam Zoughar, his successor, said that the new production levels would be decided on the basis of technical studies.

As it is, there are considerable variations in the reductions set for Libya's nine producing operations, varying from 42 per cent for Occidental (325,000-190,000 b/d) to 11 per cent for Mobil (91,000 to 81,000 b/d).

These differences give some *credence to the claim that* the reductions were also partly for technical reasons. Equally important, in the opinion of observers, has been concern about price maintenance.

# £21m Guthrie bid for C & I

BY RAY MAUGHAN

GUTHRIE CORPORATION, the UK-domiciled plantations group, is preparing a defence against any new bid from Sime Darby, the Malaysian-controlled plantations company, by making a £20.9m share offer for City and International Trust.

A year ago, Sime Darby's *offer of about 525p per share* failed, but Sime still holds 29.9 per cent of Guthrie and is permitted to bid again at any time after next Thursday. To complete the City acquisition as first line of defence, Guthrie will issue 2.6m new shares, *assuming all City shareholders* elect to take the paper offer, thus diluting Sime's holding in Guthrie to around 27.5 per cent.

The offer for City, agreed by the board of the investment trust, values each share at 152.95p against a closing price yesterday of 131p, up 5p, and a net asset value of 133.4p per shar. Guthrie also is making a cash alternative of 134.9p per share, which it proposes to *finance by an underwritten offer* subject to a maximum of one new Guthrie share at 710p for every 11 shares already held. Guthrie shares rose 5p to 805p.

Any shares not taken up by City shareholders who elect the cash alternative will be available *for subscription by* Guthrie shareholders.

The proposed issue will require the approval of Guthrie shareholders at an extraordinary meeting on March 17 because Guthrie aims to liquidate City's investment portfolio, whose net assets stand at £18.3m.

Guthrie is also forecasting profits of £26m, against £20.9m for 1979, and says it would have *made £29m if exchange rates* ruling at the beginning of the year had applied 12 months later.

It also estimates that the cash realised on the City portfolio liquidation would add 5p to its earnings per share. The pro*ceeds, however, will be used to* reduce bank borrowings and to augment its industrial base in the U.S.

# Plans set for enterprise zones

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE GOVERNMENT has completed its plans for setting up seven enterprise zones aimed at attracting businesses into depressed areas. An announcement is expected soon, possibly in next Wednesday's Budget speech.

Sir Geoffrey Howe, Chancellor of the Exchequer, has been personally responsible for promoting the idea. It has been received with considerable scepticism in some parts of Whitehall, but is now to go ahead on an experimental basis.

It involves designing relatively small sites of about 100 to 900 acres as special zones where businesses will be exempted from various Government controls such as industrial development certificates, industrial training board levies, State statistical surveys and some payment of rates and development land tax.

If Sir Geoffrey decides to include the plan in the final draft of his Budget speech, he is expected to use it as an example of the ways that the Government is trying to encourage entrepreneurs. More general taxation concessions, plus other measures, are also expected to be included for small businesses.

The sites for the entrprise zones have been chosen although not all the local authorities involved have yet been informed. The Welsh Office has said it expects one site to be located in Wales, and this is likely to be at Briton Ferry near the steel town of Port Talbot.

Other areas thought to have been chosen include sites in *Hackney in north London*, Attercliffe in Sheffield, Speke in Liverpool, Glasgow, and Bilston. Wandsworth in south west London and a site on Tyneside have also been considered.

**Regional funds cut, Page 3**

Continued from Page 1

## Siemens

**formed a new subsidiary, Polygram Pictures, to expand its television and film interests.**

**It said: "This development indicates the determination of the Polygram group to establish itself as a major force not only in music, but in all other areas of entertainment."**

**It also indicates the trend for consumer electronics companies to acquire a source of entertainment material for the videotape and videodisc markets. These are expected to grow rapidly in the mid-1980s. Philips and Grundig are together major manufacturers of videotape machines. The Dutch company has pioneered a videodisc system, now being test marketed in the U.S.**

Continued from Page 1

## MFI

deal, on the basis of a one-for-one share swap, would enable considerable savings on advertising and supply costs.

Shares of Status were suspended just over a week ago on news of talks about a possible merger, with MFI widely thought to be the most likely bidder.

On their return yesterday, they gained 3p to 72p, while MFI's shares were unchanged at 76p. Full acceptance of the bid will involve the issue of 40m new MFI shares which will make up 23.3 per cent of the enlarged capital.

MFI, which has forecast pre-tax profits of £18m for the year to May 31, 1980, after nearly £14m in 1978-79, now has 72 stores in the Midlands, the south of England and Scotland.

Half of the new ones it will obtain through the Status Discount bid are small High Street operations, but all will carry some part of the MFI range.

# Electricity Council backs fund's staff suspension

BY CHRISTINE MOIR

THE TRUSTEES of the Electricity Council's £1.3bn pension funds yesterday "unanimously endorsed" the suspension of Mr. Alan Urwin and Mr. William Lund from their positions as investment managers of the funds.

At the same time they stressed that the difficulties which led to the suspensions—controversial investments in Westmoreland Investments, an *unquoted property company*—"do not in any way affect the viability or strength of the funds and will not adversely affect contributors *or* pensioners."

The short official statement was made after the first full meeting of the trustees since Mr. Austin Bunch, deputy chairman of the Electricity Council, abruptly suspended the two men on March 3.

His move followed a report, commissioned from accountants Cork Gully, into the funds' involvement in Westmoreland. Mr. Bunch sent the report to the police and decided that this was ground for suspending the men.

Yesterday's announcement did not make clear whether the trustees had been shown copies of the Cork Gully report. It simply said that Mr. Bunch gave the trustees "a factual report of the events leading up to the suspensions."

The Council has been much criticised for its refusal to make public the circumstances which led to the suspensions. Earlier this week, it was even refusing to confirm the date of the trustees' meeting.

Yesterday the trustees said that "if they considered any further statement necessary" they would "inform the members of the schemes."

The Electricity Council has two pension funds, one for salaried staff and one for industrial staff. The latest accounts, for the 12 months to the end of March, 1979 show that there were 137,000 contri*butors to the funds and 45,000* pensioners.

The accounts, which received a clean audit from accountants Peat Marwick Mitchell, show that the industrial staff fund had an actuarial surplus of £15m which was attributed to profits *from* investments and the effects of property revaluations mitigating the inflationary strains on the fund.

The salaried staff scheme showed an actuarial deficiency of £161m which the Electricity Council is required to make up in annual instalments of £17.6m a year.

Continued from Page 1

## Steel arbitration move

**vention should be through arbitration covering pay only.**

**This followed a further refusal by the corporation to improve its final offer of 10 per cent nationally with a further 4 per cent, at least, for locally negotiated job losses.**

**After more than two hours of negotiation, the talks were at breakdown point. The corporation is believed to have said that, if talks collapsed, it would go ahead and ballot 132,000 strikers. The unions, however, then went into a separate meeting and returned for more talks with the corporation.**

# Saudi can expect budgetary surplus

By Anthony McDermott in Riyadh

**SAUDI ARABIA can expect a budgetary surplus of up to $20bn in 1980, according to calculations based on preliminary assessment of oil income by senior economic officials.**

**They estimate oil income for the year will be $75-$80bn but the calculation appears to be based on the very conservative assumption that oil production will return to the "official ceiling" of 8.5m barrels a day rather than the current maximum of 9.5m b/d in the fields operated by the Arabian American Oil Company.**

**Sheikh Ahmed Zaki Yamani, Saudi Minister of Oil, said recently that a decision would be made soon whether or not to maintain the higher production during the second quarter.**

**Although the official selling price for Arabian Light is $26 per barrel, the average Government revenue — after taking into account the proportion of cheaper, heavier crude sold and costs of production—would be around $25 per barrel. Even at a production rate of 8.5m b/d such an average receipt would yield a total of $77bn in the course of 1980.**

**In addition, there is Saudi Arabia's share of production from the Neutral Zone which last year averaged nearly *280,000 b/d and the prospect* of another price increase in mid-year when a further attempt by the Organisation of Petroleum Exporting Countries to unify their price structure is expected.**

**Apart from these uncertainties the full extent of the surplus could not be predicted with any accuracy until the budget—along with the third five-year 1980-85 development plan—is published on May 15. According to Mr. Mohammed Aba Al-Khail, the Minister of Finance and National Economy, Saudi Arabia will have a small surplus this financial year after spending a record 200bn riyals (£27.4bn).**

**Expenditure on the five-year plan is now expected to total just over 1,000bn riyals rather than the 900bn riyals *recently reported. Annual* expenditure over the next five years is to be at about the same rate as this year in real terms.**

**Both Sheikh Hisham Nazer, the Planning Minister and senior economic officials have said it was hoped that the development plan could be financed out of current income. On this basis the surplus this year should not be less than $20bn.**

**The anti-inflationary package made public by President Jimmy Carter last Friday is welcomed by officials here who hope that its effects will be felt soon.**

## Weather

UK TODAY

MOSTLY cloudy with occasional snow flurries.

**London, rest of England, N. Wales, Scotland, Ireland**

Cloudy, scattered snow. Cold. Max. 4C (39F).

**S.W., C. Southern England, S. Wales, Channel Is.**

Sunny intervals, occasional snow. Max. 5C (41F).

**Outlook:** Continuing unsettled. Warmer.

WORLDWIDE

| | | Y'day midday °C | °F | | | °C | °F midday Y'day |
|---|---|---|---|---|---|---|---|
| Ajaccio | S | 13 | 55 | Lisbon | C | 13 | 55 |
| Algiers | C | 20 | 68 | Locarno | S | 11 | 52 |
| Amsdm. | S | 1 | 34 | London | C | 3 | 37 |
| Athens | F | 16 | 61 | Luxmbg. | Sn | −1 | 30 |
| Bahrain | S | 26 | 79 | Luxor | S | 33 | 91 |
| Barcelona. | C | 14 | 57 | Madrid | R | 7 | 45 |
| Beirut | S | 17 | 63 | Majorca | F | 16 | 61 |
| Belfast | Sn | −1 | 30 | Malaga | C | 14 | 57 |
| Belgrd. | C | 13 | 55 | Malta | S | 19 | 66 |
| Berlin | S | 2 | 36 | M'chstr | C | 1 | 34 |
| Biarritz | C | 12 | 54 | Melbne. | C | 20 | 68 |
| Bmghm. | C | 1 | 34 | Milan | S | 11 | 52 |
| Blackpl. | Sn | −1 | 30 | Mntreal. | C | 5 | 40 |
| Bordx. | C | 6 | 43 | Moscow | C | −5 | 23 |
| *Boulgn.* | S | 2 | 36 | *Munich* | C | 4 | 39 |
| Bristol | S | 3 | 37 | Nairobi | S | 26 | 78 |
| Brussels | C | 1 | 34 | Naples | F | 14 | 57 |
| Budpst. | C | 1 | 34 | Nwcstl. | C | 2 | 36 |
| B. Aires | S | 35 | 95 | N. York | R | 11 | 52 |
| Cairo | S | 23 | 73 | Nice | S | 16 | 61 |
| Cardiff | C | 2 | 36 | Nicosia | S | 17 | 63 |
| Cas'b'ca | R | 13 | 55 | Oporto | C | 11 | 52 |
| Cape T. | S | 21 | 70 | Oslo | F | 1 | 34 |
| Chicago | S | 4 | 40 | Paris | C | 2 | 36 |
| Cologne | C | 3 | 37 | Perth | S | 22 | 72 |
| Cpnhgn. | S | 0 | 32 | Prague | C | −1 | 30 |
| Corfu | R | 14 | 57 | Reykjvk. | S | −1 | 30 |
| Dublin | C | 3 | 37 | Rhodes | S | 16 | 61 |
| Ednbgh. | Sn | −1 | 30 | Rio J'o | S | 30 | 86 |
| Faro | F | 16 | 61 | Rome | R | 14 | 57 |
| Florence | C | 12 | 54 | Salzbrg. | F | 3 | 37 |
| Frankft. | Sn | 3 | 37 | Singapr. | S | 30 | 86 |
| Funchal | F | 18 | 64 | Stckhm. | Sn | −3 | 27 |
| Geneva | C | 8 | 46 | Strasbg. | R | 3 | 37 |
| *Gibrltr.* | F | 16 | 61 | *Sydney* | S | 29 | 84 |
| Glasgow | Sn | 0 | 32 | Tangier | F | 17 | 63 |
| G'nsey | C | 2 | 36 | Tel Aviv | S | 18 | 64 |
| Helsinki | S | −7 | 19 | Tenerife | F | 14 | 57 |
| H. Kong | S | 25 | 77 | Tokyo | C | 10 | 50 |
| Innsbrk. | R | 5 | 41 | Toronto | R | 6 | 43 |
| Invrnss. | C | −1 | 34 | Tunis | C | 17 | 63 |
| I.o.Man | C | 1 | 34 | Valencia | C | 16 | 61 |
| Istanbul | C | 14 | 57 | Venice | C | 10 | 50 |
| Jersey | C | 3 | 37 | Vienna | C | −2 | 28 |
| *Jo'burg* | S | 19 | 66 | *Warsaw* | S | −2 | 28 |
| L. Plms. | C | 20 | 68 | Zurich | C | 4 | 39 |

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

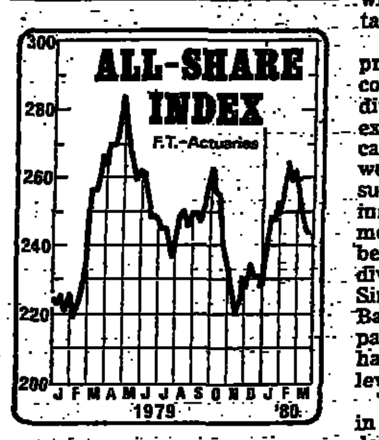
THE LEX COLUMN

# Discounters build a merger kit

The stock market has spent a very quiet week, and not just because everybody has been occupied in puzzling over the fine print of the Green Paper on monetary control. The big equity funds seem to have decided to stay on the sidelines until the Budget, and although the gilt-edged jobbers would love to see some action in the tap stocks, gilts have refused either to rise to tap levels or *to fall far enough* for the Government Broker to think of cutting his price.

The All-Share Index has now fallen 8½ per cent from its February peak. Worries are beginning to build up that a number of rights issues may be on the way, and that the personal sector may resume its selling of equities in April: for the last few weeks private clients have apparently been hanging on in the hope that the Budget will bring some capital taxation relief.

Index fell 3.3 to 429.9




## MFI Status

While British manufacturers and exporters fight for their survival, owners of large sheds full of chipboard furniture are happy to pay four times net asset value for each other. MFI's one-for-one agreed share offer for Status Discount values that company at £30m,

Unlike MFI, Status has not been able to generate enough cash to finance its rapid expansion, and its position in the North of England, where MFI is weak, could have left it a little exposed at a time of high regional unemployment. But the fact that MFI's own paper is highly rated makes the bid look a good deal less extravagant. On the basis of last year's profits for Status, the merger will dilute MFI earnings per share by less than 10 per cent.

MFI has chosen to expand into the North in one great bound, rather than opening its own stores piecemeal, as it usually does and as it could easily have done—it has not yet reached the point at which planning permission is impossible to come by. Instead, this cosy merger eliminates a major competitor, prevents other companies from attacking MFI's dominance in the DIY kit-furniture market by acquiring status, and might just achieve the sort of position that would discourage competition from entering the market. The combined turnover of MFI and Status makes up nearly 10 per cent of national furniture sales, but in the superstore kit-furniture market their joint *share is substantially higher.*

It would be a pity, though, if the Office of Fair Trading were to refer the bid too quickly and thus deprive shareholders in Status of a chance to find out from the full offer document exactly *what the relationship is* between their company and its supplier-cum-leasing - customer, the Jersey-registered Humber Kitchens.

## Dividends

Industrial companies reporting their results for 1979 over recent weeks have given a clear picture of the developing squeeze on cash, with pressure from wage and raw material cost rises, high interest rates and increased stock levels. Spectacular figures from the banking and oil sectors have distorted the underlying trend. But an analysis of the 25 or so industrial companies of reasonable size—producing more than £2m pre-tax—which have reported in the last two weeks shows that pre-tax profits were on average little changed from 1978, at an aggregate figure of about £500m. Yet, while a handful held or cut their dividend, the overall typical dividend increase was about 10 per cent.

A number of well-known names have reported profit de*clines—from* Stone-Platt, with a pre-tax profit loss of £2.9m against a £9.5m profit in 1978, to the Weir Group, with a profits drop from £7.6m to £2.1m, and Rolls-Royce Motors, whose profits have been halved to £7.1m. TI was another com*pany whose profits have fallen* sharply,

Yet only three substantial companies have cut back their dividend pay-out—BSR, Stone-Platt and the Weir Group. At the same time other companies have pushed their dividends up *much faster than either profits* or the 1980 outlook seem to justify. Steetley's gross dividend has been pushed up by 43 per cent, for instance, compared with a 15 per cent rise in pre-tax profits.

There now seems to be strong pressure in the market for companies to keep on raising dividends, even though this exacerbates the squeeze on cash. A special article in this week's Bank of England Bulletin suggests that, adjusted for *inflation, industrial and commercial* companies have not been fully covering their dividends from about 1974. Since then, according to the Bank, the ratio of dividend payout to real post-tax earnings has risen to its highest recorded level.

The pressure probably derives in part from the years of dividend restraint, when the 10 per cent ceiling became a norm—no company could duck without appearing to advertise failure and abandon all aspirations to growth-stock status. In the same way companies which announced rights issues to augment cash flow were also forced into taking advantage of the exemption and award higher than average dividend rises. Many companies are now on uncomfortably high dividend levels for this reason.

With the freeze over, some companies find themselves trapped by past protestations against government - imposed restraint, while still others are keen to put pay-outs on a higher level in case of a further freeze, even though in a recession year this puts a strain on them.

## Guthrie

Yesterday's offer by Guthrie for City and International Trust will immediately be associated with the take-over threat that hangs over the plantations group.

Down from a recent peak of 900p, the fall in the Guthrie shares to the current level of 805p has been intimating that group has become too big for Sime Darby to swallow and that the Malaysians will not return when the one-year time limit expires next week.

Guthrie, however, remains wholly convinced that Sime will come back and that a battle will be closely fought. Each side claims the allegiance of *holders of 40 per cent of the* shares. Hence Guthrie will not be disturbed if Sime's current 29.9 per cent holding is diluted to about 27.5 per cent through the offer for the investment trust, or if Sime, by taking an opportunity to subscribe for new *shares, admits publicly that it* remains actively interested.



Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.
V G H


مكتبة الأمل